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Floor Debate  
April 05, 2013

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[LB44 LB55 LB75 LB153A LB153 LB190 LB216 LB265 LB266 LB269 LB317 LB362  
LB429 LB495 LB530 LB530A LB568A LB613 LR126 LR127 LR128 LR129 LR130  
LR131 LR132 LR133 LR134 LR135 LR136 LR137 LR138]

SENATOR KRIST PRESIDING

SENATOR KRIST: Good morning, ladies and gentlemen, and welcome to the George W. Norris Legislative Chamber for the fifty-fifth day of the One Hundred Third Legislature, First Session. Our chaplain for today is Senator Scheer. Please rise.

SENATOR SCHEER: (Prayer offered.)

SENATOR KRIST: Thank you, Senator Scheer. I call to order the fifty-fifth day of the One Hundred Third Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

CLERK: I have a quorum present, Mr. President.

SENATOR KRIST: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections, Mr. President.

SENATOR KRIST: Thank you. Are there any messages, reports, or announcements?

CLERK: Mr. President, the lobby report to be inserted in the Journal as required by statute. And agency reports received in the Clerk's Office this week will be available on the Legislative Web site for member review. That's all that I have, Mr. President. (Legislative Journal page 911.)

SENATOR KRIST: Thank you, Mr. Clerk. We will now proceed to the first item on the agenda.

CLERK: Mr. President, the first motion this morning, Senator Chambers. Senator Chambers would move to place LB266 on General File pursuant to Rule 3, Section 20(b). [LB266]

SENATOR KRIST: Senator Chambers, you are recognized to open. [LB266]

SENATOR CHAMBERS: Thank you. Mr. President and members of the Legislature, this is that bill that I had discussed on several occasions which is locked up in the Revenue Committee. What the bill would do is repeal a statute that was enacted last session which allows municipalities to add an additional half percent to the sales tax by way of a vote of the people. They call it a local option or something like that. One of the main

Floor Debate  
April 05, 2013

---

reasons I'm opposed to it, in addition to just being against all sales tax increases because of the regressive nature of the tax, with this discussion of Modernization Tax Commission and the Governor's discussion of trying to shift the burden to sales tax by eliminating an income tax, it's a mistake to give away one-half percent of the taxing authority that the state may have to rely on by virtue of giving this half percent to the municipalities. There is no crisis that justifies that being done. The original bill grew out of a heated political situation in Omaha. Then, in a heat and a rush, the Legislature, over the Governor's veto, enacted into law the authority to impose that additional half percent sales tax. In Omaha, there had been...I'm trying to think what they call it, a restaurant tax or something, occupation tax, whatever term they use, that would require people who ate in restaurants to pay whatever amount the city had determined they should pay. A lot of the people who had restaurants and other businesspeople were upset. Senator Ashford is a person who during his entire time in the Legislature has tried to be accommodating to those interests, those forces that would improve what he deemed to be the business climate in Omaha; therefore, this badly crafted legislation was enacted into law. Now Senator Ashford himself signed onto my bill to repeal that law. Other senators in the meantime have done the same thing. But in addition to what I'm talking about here, in the existing law...and I guess you can pull up a copy of the bill on your gadget and the bill number is LB266, but on page 2 of that law...page 3, there is an authorization for cities of the primary class to use this sales tax money on nonpublic infrastructure projects. The sales tax can be increased in cities of the primary class for private use. I was told that that was not intended, but that is what is in the law right now. Any city of the primary class which would choose to impose this tax could use a portion of it for private infrastructure projects. That is something I definitely would have caught had I been in the Legislature. And even if I couldn't have defeated the bill, I would say none of that tax money should go for a private purpose; but that is in the existing law. In the existing law, there is a definition of public infrastructure projects and it mentions everything imaginable. And I'm not going to take the time that I have now to read all of the things that it can be used for, but the whole kit and caboodle is something which is not wise and it ought to be undone. I have bills in other committees which did not make it to the floor. I have not offered a motion to pull any of them from a committee. One of the overarching justifications in this instance resides in the fact that we are considering a bill, LB613, to authorize this study of the entire tax system in Nebraska. The Revenue Committee, despite the pendency of that bill, has advanced to the full Legislature bills that would give additional sales tax exemptions, and some of those exemptions will reduce the inflow of revenue to the state by a considerable amount. Had the Revenue Committee sat on every bill, that would be one thing. I don't know that I would be offering this motion. But if there were to be that tax study, maybe I would have anyway. But what gave especial impetus is the fact that the Revenue Committee has not adopted a consistent policy in terms of what it is going to do. I know there will be people who say that the committee system, the committee structure, is important; and I'm one of those people. But it is not infallible and the committee itself can do things to undermine its own credibility in terms of a policy it may have with reference to the type

Floor Debate  
April 05, 2013

---

of legislation that is sent to the floor. I was told that the vote in that committee is 4 against 4 to advance the bill. I'm not going to give names because that's not my intent, but I was told by some committee members that if I would allow an amendment by the committee to be offered to the bill, that would put a moratorium on any new impositions under the existing law of a half percent sales tax by any municipality. And I said I had to think about it. And after I've thought about it, it was all right with me because the bill would have then been on the floor and it could be used as leverage to point out how we should indicate our seriousness in this sales tax...well, not just sales tax alone, but the tax study that the Legislature is undertaking. There is no integrity in that system in view of what the Revenue Committee has done. Notice, I didn't say there's no integrity in the Revenue Committee. I'm talking about the way this whole issue of taxing is being addressed. The Governor withdrew two of his bills. He agrees that the study is necessary and essential. Even though I have had opposition to the way LB613 is drafted, I've made it clear that I'm not opposed to the bill. The study should be made. The Legislature should make it. But on this particular bill it ought to be on the floor, and therefore, I'm offering the motion. If you have any questions to put to me, I'm prepared to answer them. Thank you, Mr. President. [LB266 LB613]

SENATOR KRIST: Thank you, Senator Chambers. (Doctor of the day introduced.) The floor is now open for debate. Those in the queue: Hadley, Lathrop, McCoy, Gloor, Campbell, and others. Senator Hadley, you are recognized. [LB266]

SENATOR HADLEY: Mr. President and members of the body, good morning. You know, Senator Chambers is very adamant about this and I respect that very much. We do have a process here, and I'd like to talk about that process for just a minute. Senator Chambers made the statement that this legislation was done in a rush. I would beg to differ on that. I do not believe that there has been a bill since I've been in this body that's been debated more, over more period of time, than this bill. The first thing I did is I handed out to you at your desk you'll find the sheet on LB357. If you take a look at that, have you seen many bills that have that many amendments that aren't being filibustered? These were legitimate amendments that were brought for discussion. This bill was heard on General File one year; it was heard on Select and Final Reading the second year. The original hearing was on March 16, 2011. There were 6 yeses, 2 not voting to advance the bill--not the bill that Senator Chambers has but the original LB357. There were 12 proponents, 1 opponent, and 1 neutral. The bill was advanced to the floor. Senator Ashford prioritized the bill. The bill was not...it went through General File that year, 2011, and was passed to Select File. It was brought back the following year, 2012, the same bill brought back on Select File. Senator Ashford prioritized the bill again so that we would hear it again. The bill was heard on Select and was passed to Final Reading. In Final Reading, it was passed, 30 yeas, 15 nays, 1 present and not voting. Of those 30, 25 of those senators are still here; of those that voted against it, 11 are still here. The bill was vetoed by the Governor, so it came back for another discussion on the floor. That discussion, it was the motion by Senator Ashford to

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

override the veto. That veto override was 30 yes, 17 no, 2 not voting. So the bill then was brought by Senator Chambers this year to overturn that bill. I understand his reasonings. The reasonings he talked about were discussed in the committee. I will defend the committee on this. The vote right now is 4 to move the bill out, 4 not to move the bill out. We had a hearing on Senator Chambers' bills, and there were proponents. There were two: Senator Chambers and the Americans for Prosperity. And the opponents were seven. The bill is in committee. So the first thing I wanted to do, especially for the new people, this has had full...I feel it's had full and fair debate when it's been heard in the committee twice...the concept has been heard in the committee twice and voted on in the committee. [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR HADLEY: Did you say one minute? [LB266]

SENATOR KRIST: Yes, sir. [LB266]

SENATOR HADLEY: And four times it was voted on, on the floor. Lastly, I have a concern when we're dealing with tax policy that we change a significant tax policy within months after we enact it. How do we expect our municipalities and other governmental agencies to look at us if we're going back and forth? Does that mean every two years we're going to go back and look at the bills that were passed the previous two years? When we have a new body, do we go back and look at what bills we want to change that were passed? This bill has been in effect less than a year. Three municipalities have made use of it already. I don't care whether you like the idea of the half-cent sales tax or do not like it. This is a question about the committee process. That's what this question is about. [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR HADLEY: And if you feel that it's had fair and full debate and the committee was fair and full... [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR HADLEY: Thank you, Mr. President. [LB266]

SENATOR KRIST: Thank you, Senator Hadley. Senator Lathrop. [LB266]

SENATOR LATHROP: Thank you, Mr. President and colleagues. Good morning. I want to talk about process. A pull motion is authorized by the rules. There is nothing...in fact, the rules contemplate a pull motion. That doesn't mean that it's a good idea and I stand today in opposition to the pull motion, and I want to make clear at the outset that this is

Floor Debate  
April 05, 2013

---

not a vote today on the merits of Senator Chambers' bill, all right? We don't get to the merits of Senator Chambers' bill until we address a procedural vote. The motion is to pull the bill from committee, and the question is whether that's a good idea or a bad idea. I think it's a bad idea and I'll tell you why. We have a committee process in place. We all sit on various committees. You all become something of an expert in your subject matter; and we trust the committee to put bills in shape, to be the gatekeeper, and to decide what should make it to the floor and what ought to have the attention of the entire body. That's an important process. It's an important process and here's the question you have to ask yourself today, I believe, before you vote on this. And again, it is a procedural vote and not a vote on the merits of LB266. You can be anywhere you want on this issue, but the question is a procedural one and here's what you need to consider. If it's okay to pull LB266 out, then what's next? Do we start pulling bills out of Government? Do we start pulling all the bills out of Revenue? Because we all may have our idea of what's sitting in Revenue that looks better than what's out on the floor right now. Probably do. Do we pull bills out of Education or the Health Committee? Here's the problem: We've all prioritized our bills. So even if we pull this out, when is it going to be heard? We're having trouble getting the priority bills heard this year and floor time and consideration, and where will this bill be? While the rules contemplate this, the consequences of a pull motion can be a disaster for the administration of this body. Who sets the agenda then? The committees are responsible and you've all chosen a priority bill, and LB266 is no one's priority. So we're engaged in a little bit of an exercise that I think is sort of beside the point, but it will be a huge problem if we start doing this. My first year down here there was a senator from Lincoln who believed there was a relationship between thimerosal and autism, and she put in a motion to pull a bill from the Health Committee. And it was a time when the science could have gone either way and there was a lot of people that thought thimerosal was causing autism, and it seemed like a really thoughtful, good idea. Why isn't it getting air time? You know, a lot of people were lobbying us on the pull motion. And then Speaker Flood, our Speaker at the time, stood up and said we can't run the place like this. We can't have individual senators pulling bills out of committees even if it makes or seems to make sense. It's probably a good thing we didn't because I think the science has clearly gone the other way and the Health Committee was ahead of us on it. So the point is not whether Senator Chambers' bill is a good idea or a bad idea, but it's about the committee process. As an institution, we need to respect that process. And then you should think about the consequences... [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR LATHROP: ...because if this is a good idea on LB266, I can tell you there's some nutty ideas that are coming up next, some ideas that are sitting in Judiciary Committee that you...that should not be on the floor--should not be on the floor. And there's some ideas over in Revenue Committee that are not the priorities of that committee, and they're going to be the object of a pull motion next. And we can spend

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

the rest of the session on filibusters and pull motions and we'll get nothing done. I have a lot of respect for Senator Chambers for his passion for the subject matter of LB266. I probably disagree with him. I've talked to the cities on why they need this. But it's beside the point. It's no way to run a railroad. There's a lot of things you might be able to do in this place. The way you deal with your colleagues, we don't have a lot of rules on that, but they're not the way we should be doing things or we will have chaos on top of filibusters. And we will be here until 10:00 every night trying to deal with the mess that follows. Thank you. [LB266]

SENATOR KRIST: Time, Senator. (Visitors introduced.) Continuing with debate, Senator McCoy, you're recognized. [LB266]

SENATOR McCOY: Well, thank you, Mr. President and members. That is very fortuitous for that introduction. As many of you know, Senator Vehle, Representative Celeste, and Ilene Grossman are here today for the civility workshop that we'll kick off upon our adjournment, and I would invite all of you to be a part of that. I've had the opportunity to experience, and it's a wonderful exercise in what I think are some good relationships in legislative bodies. I rise this morning in support of the motion before us, and I guess I would offer a couple of observations as to why. I respect Senator Lathrop a great deal. I think he's a fine Chairman of his committee. I think he represents the Judiciary Committee very well as Vice Chairman and as a senior member of our body; along with Senator Hadley, who spoke earlier as Chairman of the committee I'm a part of, and that's the Revenue Committee, I think have brought a number of good things to mind in their time on the mike. I would merely say I stand in support of this motion because I stand in support of the underlying bill. The ability for any member, after eight days to put a motion before the body to pull a bill, is there to use. And I would merely say in response to what Senator Lathrop just said that if the will of the body is that such a bill should see time on the floor on General File then 25 or more members would vote for it; if not, they wouldn't. But that is part of our rules process, members. We can take it out at any point when we revise our rules. Since I've been here for five years, it's remained. I don't know whether Senator Chambers will address this or not; many of you may know, some of you may not, but once upon a time in his long and illustrious career in this Legislature, Senator Chambers was successful in bringing a repeal of the death penalty to the floor of the Legislature through such a pull motion. I'll be honest, I wasn't aware of that until a few days ago, and I would dare say that would be one of the most important issues that's ever been addressed on the floor of this Legislature; and at least one of the times in his career, it came to the body via a pull motion. So I would say there's good arguments to make not only on the merits of an underlying bill that may come from a committee, not to disrespect the committee process, but we have a rules book for a reason and any given time or another it's all of us as members who have the opportunity to use those rules; I might add sometimes successfully, sometimes unsuccessfully. But that's why this morning I rise in support of this pull motion because as it hasn't been articulated yet, Senator Brad Ashford, who isn't here with us this

Floor Debate  
April 05, 2013

---

morning, was the first senator to add his name to LB266 and is widely quoted in the newspapers of our state and other media outlets as articulated and he believed LB266 to be an excellent piece of legislation--I'm paraphrasing what he said; you can look up his quotes yourself--and that the underlying legislation wasn't needed anymore. Senator Ashford even wandered in and sat through and watched part of the hearing on LB266. It was late one evening when the Revenue Committee took it up earlier this session. So I don't want to speak for Senator Ashford and I won't, other than to say, because it hasn't been mentioned, that one of the valid reasons I believe--and Senator Hadley is very correct, this was a bill that saw a lot of debate over the last few years. But I think one... [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR McCOY: Thank you, Mr. President...one major difference since last year is that the introducer of LB357 is now on the other side, if there is such a side or either side of this issue, and supported LB266. As a Revenue Committee member, this gave me a great deal of pause on this issue, and I think it's an important fact that needed to be brought up this morning. Thank you, Mr. President. [LB266]

SENATOR KRIST: Thank you, Senator McCoy. Senator Gloor, you are recognized. [LB266]

SENATOR GLOOR: Thank you, Mr. President, and good morning, members. Senator Lathrop did a good job I think pointing out that this is a procedural issue, one that needs to be thought about, I think, very tightly and very closely. We bring different life experiences to this body, and those experiences I think shape our thinking on policy issues, they shape our decision making on policy issues, and ultimately they shape our vote on policy issues. And one of the life experiences that I bring to this body from a management and leadership standpoint has to do with the issue of delegation. There was no way that I could make the appropriate, well-thought-through decisions I needed to do running my organization by doing it on my own. So I had to delegate. I would delegate to the staff who worked for me, whose expertise I trusted. I would delegate to committees that had been formed to deal with very technological issues, and I would expect those people to come back with recommendations. And it is a management reality that you have to fight sometimes your own personal biases on these decisions and listen to the thoughts and ideas and recommendations of those who you have delegated to or who you should trust to come to you with well-thought-out deliberations and recommendations to you. Delegation is an extremely hard, hard aspect of running any organization, and I think also a very hard, hard aspect of decision making down here. My thought processes, when it comes to policy, when it comes to legislation, is as many other people here I think will agree is the same for them, there are certain key senators who I know when it comes to areas of expertise think through things and make decisions and I trust those decisions that they're making. I don't necessarily vote the

Floor Debate  
April 05, 2013

---

way they do, but I listen to what they have to say or I seek them out. To the same extent, I trust the committee structure. I have to trust the committee structure. I haven't got time to dig into ag issues or natural resources issues to the extent I might like to any more than I had the ability to dig into replacement of MRIs or infection control issues in surgical suites. I couldn't be a subject expert on those areas. So there were people I trusted. It didn't mean that I had to take their recommendation, which is certainly part of what Senator McCoy is arguing. If somebody came to me and said, you know, we've decided it would be easier to clean under patient beds if everybody was in a hammock, I would probably ask some questions and maybe overrule that. But that certainly is way out there when it comes to issues of delegation. I trust the committee structure. I am concerned about issues of sidestepping the deliberations of the committee structure. And I don't necessarily agree with the Revenue Committee. They have my priority bill. It's at least my priority bill. I know they've deliberated on it. I can tell you that I've thought about a pull motion, but also thought I don't think it stands a chance up here even if I'm able to pull it out. So what does it become? It becomes a soapbox issue for me. And the clock is ticking, as we've talked about the past couple of days, and I don't want to subject this body to what I consider to be a soapbox motion. And so I'm not going to ask for a pull motion on my priority bill that's in committee that I think is not only an important bill... [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR GLOOR: Thank you, Mr. President...but an extremely important bill when it comes to both dollars that may be necessary for this body as well as issues of health that we will be talking about at great length in the next couple of weeks. I am not in favor of this pull motion. It's not just bad precedent, it throws to the four winds I think the most important aspect of decision making and that is trusting our fellow senators, committee structures and individually, to bring a degree of expertise to the decision-making process. And that and that alone is reason enough for me to be very uncomfortable with this or any pull motion. Thank you, Mr. President. [LB266]

SENATOR KRIST: Thank you, Senator Gloor. Senator Campbell, you are recognized. [LB266]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. When I saw this on the agenda I went, what's the harm to this? What's the harm to saying, fine, let's pull this bill from committee? With all due respect to Senator Chambers or Senator Seiler or Senator Crawford or any senator in here who may choose to look at pulling a bill from a committee, I would have to say that I stand to oppose such a motion, and as a general rule I would oppose other efforts to do the same. Why? Why would I stand in opposition to this? I believe that we have set up a system in the Unicameral, in the committee system, to do a lot of work. Committees are there to vet a bill. There have been references on this floor in this session: Well, maybe



Floor Debate  
April 05, 2013

---

the committee should have spent more time working on that bill or rewriting it. Committees show the importance of public testimony, hearing from people who care about it. Committees show the importance of drawing people together even after a hearing. And Senator Howard's bill that we spent three days on, illustrates that. After the hearing, Senator Howard drew together people and worked on it diligently. Committees show the importance of honing a bill. Senator McGill has a bill in the Health Committee. It is her passion. She has cared about this for all the years she's been in the Legislature. But the committee said, this bill needs to be honed a little differently and we have worked cooperatively to try to get to that point, and the committee has done more research and more effort. The committee system also works when we come to this floor; and how often do we hear the committee amendment replaces the bill? Colleagues, at this point we have over 20 or 25 priority bills of senators that are still in committee. Do we begin pulling every bill out because it's a priority? They are probably in those committees for a reason. I think we all should think quite seriously about the committee system and the procedures that we have put into place for it. I believe most fervently that the work of the Legislature is not a win-loss game. We aren't here to win on a bill. A lot of times we're here to lose on a bill. We're here to do the work of the people of Nebraska. We have set up a system to do that, and I think that system should be honored. Thank you, Mr. President. [LB266]

SENATOR KRIST: Thank you, Senator Campbell. Remaining in the queue: Senator McGill, Dubas, Adams, Janssen, Burke Harr. Senator McGill, you are recognized. [LB266]

SENATOR MCGILL: Thank you, Mr. President and members of the body. I will be very brief because I think a lot of the previous testimony has made the point that I would make, and that is that I am extremely reluctant to use a pull motion. And in my mind it should be kept to the highest of priority situations, an extraordinary circumstance in the type that would bring us back here as a Legislature when we're in the interim for a special session. We all have bills that we would like to see come out of committee and come out more quickly. I, for six years, battled to try to get some payday lending database legislation out of Banking, and it never happened. You know, I could have done more to try to encourage more senators to be on that committee that I felt were like-minded and go other routes, but I didn't come here and try to pull a bill out that I feel is incredibly important and would truly help people. I respect our process, our committee process. We don't always get what we want or what we feel is best for our state, but we should reserve this motion for those extraordinary circumstances that would lead to something like a special session if we weren't already in session. And with that, I ask that you not vote to pull this bill. Thank you. [LB266]

SENATOR KRIST: Thank you, Senator McGill. Senator Dubas, you are recognized. [LB266]

Floor Debate  
April 05, 2013

---

SENATOR DUBAS: Thank you, Mr. President. Good morning, colleagues. I, too, stand up in opposition to this pull motion. As a newly elected Chair, I have an even better understanding of the importance of the committee process and the extra responsibilities that Chairs have to make sure that that committee process works. We use our committees as a filter, you know; otherwise, we would just introduce our bills and everything would come to the floor and probably wouldn't lend itself to a lot of order and a lot more chaos. I think every one of us have been in the position where we have had bills in committee that we really wanted out but were not able to get them out. I've been in that position. I saw it as my responsibility to work with the committee: What is it that I can do to get the bill to come out? Worked with my fellow colleagues to see if I could raise some support from outside the committee to see if they would be willing to lobby on my behalf with committee members. Those are the things that we as individual senators have the ability to do. Sometimes it's worked for me, other times not. I've ended up with bills that I was not ever able to get out of committee. But I have also ended up with bills that I have been able to get out of committee. One of those is my priority bill this session, and it went through a lot of work and a lot of scrutiny by the Health and Human Services Committee, and I have certainly appreciated their help and efforts in that respect. When I ran for committee Chair, I made some promises to this body and I said I promised that I would work with every senator who introduced bills into my committee to help them, if this bill is important to them, to get that bill into the shape that it needed to be in, in order to advance it to the full Legislature for their consideration. But I also told you that if the committee did not support the bill and there wasn't anything that they felt could be done that would earn their support, I would let you know; this bill doesn't have support. You're more than willing to keep working on it, to keep talking with committee members; but at this point in time, the bill has no support and is not going to come out. So again I think that responsibility comes back to us as individual senators. If our bill is important to us, to work within the system, try to get it advanced, try to get it into a shape that you can at least get the support of the committee on, and then work it on the floor. But I would agree with Senator McGill on this rule is in place, yes, but when should it be used? And I think it should be for those situations that are at the highest priority and that could potentially bring us back into a special session. And so with that I will have to oppose this motion to pull the bill. Thank you. [LB266]

SENATOR KRIST: Thank you, Senator Dubas. Speaker Adams, you are recognized. [LB266]

SPEAKER ADAMS: Thank you, Mr. President and members. I'm not going to support the pull motion. I have spoken to these motions before, earlier this session and in prior years as a committee Chair. I'm going to keep my comments very short but I'm going to put the hat back on of chairing Education. And besides that volatile issue of TEEOSA every year, the Education Committee always hears a lot of other things; and those bills don't come out, all of them. But I'm guessing the committees, whether it's Education,

Floor Debate  
April 05, 2013

---

Judiciary, you name it, you go into Executive Session, you discuss the bills; and those that are contentious, that are emotional, you stress over them as committee members. And you let it set maybe, and you come back to it another day, and you think about it and you work on it. You talk to one another, and then ultimately as a committee you make a decision. And we all know, like almost everything that happens here, sometimes we win and sometimes we lose. But I think back on some of the contentious bills we had in the Education Committee that we struggled over and finally made a decision on, and sometimes the decision was a stalemate, so it didn't come out of committee. But ultimately, on whatever side of those issues I was on as a voting member of that committee, I respected the committee's work, its struggle, its decision not to put it out. I also respect the rules that we have in the book and Senator Chambers is exercising those today. But I'm not going to support the pull motion because I'm going to respect the committee process and what we do. It doesn't mean the committees are always right, whether it was the committee that I used to chair or Revenue or any of the other ones in here. We can all find something that we like or dislike about what happens. It's the filter process on all these bills, and it begins with the committee. And the filter goes on right through us. I think in the time that I have been here, four or five times, maybe six, pull motions have been up. And it's difficult at times because I think you have to separate the substantive merit of the bill that has a number on it that is the focus of this and the procedure. And I'm not talking about the substance of the bill. I understand the regressiveness of sales tax and we can continue to have that discussion and need to. It's the procedure in this case of the committee's work. Thank you, Mr. President.  
[LB266]

SENATOR KRIST: Thank you, Speaker Adams. Senator Janssen, you are recognized.  
[LB266]

SENATOR JANSSEN: Thank you, Mr. President and members. I'd like to bring you back to a movie I once watched called A Few Good Men. "I object, Your Honor. Overruled. Well, I strenuously object." Well, those in the legal field realize that there's no difference and there's nothing in the rules that say it must be extraordinary to pull something from committee. What is this extraordinary? What is extraordinary to one person to another person? I think this is very extraordinary. We went through the numbers on this bill, and I am going to talk to the bill. I'm going to talk to the bill last year and the year before, LB357: 30-15-1. I was in the 15. People that are here now: 25 and 11. I'm one of the 11. The veto: 30-17-2. I was one of the 17. This came to my committee, the Revenue Committee. It was 4-4. I was one of the 4 to push it out to the floor; 7 to 2 people that showed up in favor...or excuse me, against, and the 2 that were for it. Now if I could speak to it, it would be 7-3, which kind of speaks to the fact this is a regressive tax. Any time you give taxing authority away like this, it's going to be utilized. The people that get together for their project, their special project, they will raise the taxes on people that don't...they don't go to city council meetings. They're busy picking up kids from day care. They're busy working. But yet, we gave authority to tax them

Floor Debate  
April 05, 2013

---

more here, under a guise, you can throw a supermajority on it, you can throw whatever guise you want. This was a regressive tax pushed down by this body against the Governor and I'd say with 17 other senators. You want to make this a priority bill? I have a priority bill I feel very passionate about. It's to get rid of the...it's to make life easier on our veterans and people that are getting Social Security to reduce their tax burden. That is also stuck in the Revenue Committee. If you'd like for LB266 to have a priority bill, I would be more than happy to gut LB75, which has a priority, and put LB266 into it, if that's the hang-up. And then it has a priority and then we'll have time for it. I just want to leave you with this: Think about it however you want. You have given more taxing authority, this body, and it's going to be utilized. This is a tax increase, I don't care which way you put it, how you try to spin it. It's a tax increase and it's a regressive tax increase. Thank you, Mr. President. And I'll yield the balance of my time to Senator Lautenbaugh. [LB266 LB75]

SENATOR KRIST: Senator Lautenbaugh, you are yielded 1 minute 51 seconds. [LB266]

SENATOR LAUTENBAUGH: Thank you, Mr. President, and thank you, Senator Janssen. And I'll speak quickly because that's not a lot of time. This is a pull motion. I've contemplated them myself, and there's a good reason for this. I've often said that I have varied interests and I never wanted to be a committee Chairman and be completely focused. I also never knew if I had 25 of you that weren't irritated with me at any given time. But I have bills I want to pull. I have a charter school bill. It would take a seance rather than a pull motion now--but I've thought about it. But the committees are not sovereign. You all have a vote and I asked you yesterday, what are you prepared to do? Maybe we need to assign committee membership at random so they actually represent the makeup of the body more closely so we have an open shot at everything. But when you're told this will open the floodgates and we're throwing things to the four winds, do you really believe that if Senator Chambers gets his way today that Senator Howard is going to stand up and do the same thing tomorrow... [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR LAUTENBAUGH: ...and that his bill will automatically become a priority if we put it out today? That's not true. You're not a rabid, baying mob. You're a bunch of senators. And you're supposed to bring your judgment to bear on important things and this is one of them. And if you want this out of committee, that's your prerogative. And what are you going to tell your constituents when you have something important that you really want to get done and it's stuck in committee and they say you've done everything you can do; have you done everything you can do? Oh, yes, I've tried everything. And if they're particularly sophisticated or have read our rules: Well, have you tried a pull motion? Well, heavens no; I wouldn't do that; that's just not how we do things. Folks, it's in the rules for a reason, and you have that authority. I foolishly

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

supported this bill last year, I should say, the one we're trying to appeal. I would like another bite at the apple. This is not disrespectful of traditions. This is part of our traditions. I was just on the phone with Senator Tim Hall. If I say his name twice more, he'll appear and you all are going to be in trouble. [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR LAUTENBAUGH: Thank you, Mr. President. [LB266]

SENATOR KRIST: Nice way to finish. Left in the queue: Senator Burke Harr, Kintner, Murante, Carlson, and others. Senator Burke Harr, you are recognized. [LB266]

SENATOR HARR: Thank you, Mr. President and members of the body and fellow Nebraskans. So I want to first off thank Senator Chambers for the way he introduced this pull motion because I think it helped set the tone and level of debate. This isn't something that's brought lightly. It's something that isn't used very often. As a matter of fact, I don't think it's been used not just in my very short legislative time but probably in my lifetime ever. It is on the books and it's there for a reason and it needs to be used very judiciously, as I said. And I'm not sure if this rises to that level. It is meant to be used when there is a committee that is abusing its authority. It's a fail-safe mechanism. And while many people do not agree with what the Revenue Committee is doing, they will have a chance to address that as each bill comes before you. That's the beauty of what we do in this body. The fact of the matter is, no one likes everything. I don't get along with anybody all the time. And this is probably being brought a little prematurely because as has been stated earlier, even if we do pull this, it doesn't get us a hearing this year. It's still...we have all the priority bills to go through. We have no sense of urgency to have this pull motion done today. We have no sense of urgency to hear this legislation this year. If this legislation were so important to the members of the body, I would think someone would put a priority on it with the hope that if it doesn't, on the offset this bill is so great that, you know, I think the committee will vote for it, and if they don't, we'll do a pull motion at that time. But no one, not one member of this body thought this piece of legislation was so important that they would use a priority motion. I think that says a lot about the underlying bill. I think that says a lot about why we're...what this is. I appreciate what Senator Chambers has done. I appreciate the debate today. It helps to remind us why the pull motion is there, the reasoning for it, the logic. But I think it's a little premature to be bringing it at this point. Now maybe down the road it's the proper time to do it, but I think today is not that day. And I will enjoy listening to my fellow members for about another 15 minutes and then we can go on to do the people's business. Thank you very much. [LB266]

SENATOR KRIST: Thank you, Senator Harr. Senator Kintner, you are now recognized. [LB266]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR KINTNER: Mr. President, thank you very much. You know, this is a process that intrigues me, and I guess as a new senator there is a time to speak and a time to listen. This is probably more for me a time to listen. Senator Chambers, would you yield to a question? [LB266]

SENATOR KRIST: Senator Chambers, will you yield to a question? [LB266]

SENATOR CHAMBERS: Yes, I will. [LB266]

SENATOR KINTNER: How many times in your many years here has this been successfully done? [LB266]

SENATOR CHAMBERS: If I remember correctly...well, it has been done. It has been done before and it was not under extraordinary circumstances. Many times there's a political environment, and if all the stars lined up then the pull motion would be successful. And I think I even had a successful pull of a death penalty repeal bill from a committee, and I think I'm correct in that recollection. [LB266]

SENATOR KINTNER: Is this something that's done once a session, once every couple sessions? How often is this done? [LB266]

SENATOR CHAMBERS: It is irregularly and seldom done. [LB266]

SENATOR KINTNER: Thank you, Senator Chambers. I will yield the balance of my time to Senator Lautenbaugh. [LB266]

SENATOR KRIST: Thank you, Senator Chambers and Senator Kintner. Senator Lautenbaugh, you have 3 minutes 40 seconds. [LB266]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. And when I have to speak quickly, I sound angry. I'm not really angry today for any reason, yet, but thank you, Senator Kintner, again. And this is a good time to follow you because I can respond to your question. I do...you know, I'm a fan of term limits, so part of that presupposes that you actually do talk to the people who have been here before. I was talking to Senator Erdman yesterday. He said, oh yeah, we pulled my priority bill from committee my first or second year here because we had to do it to get it on the floor. So I understand, and we've had these discussions and we always hear the committee Chairs standing up and saying you have to respect the committee process, which is about as unusual as having the senator stand up and say you have to respect the Legislature. We do respect the process, but we also have to understand that there are not good rules and bad rules. And if a rule is supposed to be rarely used or extraordinarily used or only in the event of a national crisis, there's ways to express that in the rules. And we sometimes add supermajorities and we sometimes specify certain

Floor Debate  
April 05, 2013

---

things when we or at least our predecessors have thought something needed to be difficult to do. And this isn't very difficult to do. I wonder why that is? Folks, read the rules and understand you are part of the committee process, but you are not bound by the committee process. You are bound by the rules that you all approved and you all voted for those. I think it was unanimous. Because of my stirring speeches and my chairmanship, you all were lulled into a false sense of security perhaps on the rules, but you still did all approve them. And this is not remarkable. This is not historically remarkable. This is only remarkable in modern times, meaning the last decade or so. And I again think this is almost a mechanism by which we can hide. I did everything I could do; I introduced a bill. Well, then you didn't do everything you could do if all you did was introduce a bill. And there will come a day when something is very important to you and I'll go back to my refrain from yesterday, what is it you're prepared to do? Are you prepared to go nuts and try to suspend the rules? It's not crazy. It's in the rules. Are you prepared to try some other maneuver to stifle debate or stop debate or advance something that's not on the agenda? I mean, are these traditions and customs and niceties really more important to Senator Chambers than repealing the death penalty? Are they really more important to me than educational opportunity? [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR LAUTENBAUGH: Are they really more important to you than something you care about? Or are you going to fight at some point till your last breath for something that's actually important so you can look your constituents in the eye and say I did do everything I could and I fell short and I'm sorry your industry might die and your jobs may go away, but I tried everything I could do? I hope you find yourself in that position someday because that means you are actually doing something important--important to you--which is the test for you; and this is part of that. The committees aren't sovereign or the rules would say so. You have this tool at your disposal. If you see fit to use it, use it. If you don't, don't. But don't believe that the republic will fall if you do. [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR LAUTENBAUGH: Thank you, Mr. President. [LB266]

SENATOR KRIST: Thank you, Senator Lautenbaugh. Senator Murante, you are recognized. [LB266]

SENATOR MURANTE: Thank you, Mr. President and members. I rise in support of LB266. I'm a cosponsor and I am in support of the pull motion. I've listened intently to what the committee Chairs who stood up and argued in favor of our current committee process have said. This is a subject matter that even though I'm a freshman it is a subject matter that I've given considerable amount of thought over the years. I have had numerous discussions with Speaker Flood. He and I don't see eye to eye on this subject

Floor Debate  
April 05, 2013

---

matter but we do on most things. And I completely agree with Senator Lathrop's assertion. The vote for me anyway on this pull motion has nothing to do with LB266. Quite frankly, I would support Senator Chambers' pull motion if he was attempting to pull any bill introduced this year out of committee, because I think it's important that we have the discussion about the committee process. And I'll be perfectly blunt, I hate our committee process. I don't think our committee process makes any sense. When we freshmen had our freshmen orientation before we were sworn in, we had a good study about the history of the Unicameral Legislature, the way in which the Speaker's role was determined. We were taught that in the Nebraska Legislature we have a very decentralized power structure. Unlike most legislatures in the country, if you vote the wrong way on a bill, you can't be kicked off your committee. If you vote the wrong way on a bill, you can't lose your chairmanship. The Speaker can't punish you if you do...if you cross ways with him. We put a lot of authority in the 49 members on the floor. I believe that the committee process that has been articulated today is in direct contradiction to the principles in which this Legislature and the processes that this Legislature were established. Senator Gloor I think wisely said we should put trust in our colleagues. What I don't understand is why we have trust in our colleagues when they're in committee but we lose that trust when they're asked to make judgments on the floor. And Senator Campbell I think asked a good question: Do we pull every bill out of committee because it has a priority? I would assert, Senator Campbell, that the answer to that question is yes. I believe that if a bill is the most important bill to a legislator of which there are only 49 priorities, one for each one of us, that it has a right to have its day before the entire Legislature. Senator Lathrop referred to bills in the Judiciary Committee that in his opinion are nutty. Some of those bills I probably agree with him, but somebody thought it was a good idea and they introduced it. And the fact remains that we have a process by which you can introduce a bill and have 45 cosponsors, but because it went to the wrong committee and it has four opponents, it will never see the light of day on the floor. I don't think that makes any sense. I think we are putting too much authority in the hands of too few people. And Senator Lathrop asked the question: Who sets the agenda if we just pull bills out of committee? Colleagues, we can pull every bill that's been introduced this session out of committee and put it on General File. The person who sets the agenda is the Speaker. [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR MURANTE: Now we can amend the agenda, but the scheduling of bills does not change whether a bill is on General File or whether it's been priority...it is up to the Speaker on who sets the agenda. It doesn't matter whether the bill is in committee or whether it's been pulled to General File or whether...how it's been advanced to General File; the agenda is set by the Speaker. I think that's appropriate. For the second day in a row, I know I am articulating an opinion that puts me in the overwhelming minority of this Legislature and I appreciate that. You'll notice that I am perhaps my opinions to the people who have served on the Rules Committee for a period of time are colored by the



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

fact that Senator Nelson, for whom I worked, introduced a bill to do exactly what I just articulated to Senator Campbell, in that priority bills, if a person designates, it would go to General File. But I think it's good that we're having this discussion. I agree with Senator Kintner that for freshmen it's probably more important that we listen, but I think it's also important that... [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR MURANTE: Thank you. [LB266]

SENATOR KRIST: Senator Carlson, you are recognized. [LB266]

SENATOR CARLSON: Thank you, Mr. President and members of the Legislature. I do rise in opposition to the motion of Senator Chambers to pull LB266 out of committee, but I believe that the rule that allows a senator to do this is a legitimate rule and he has every right to do what he is attempting to do today. If Senator Ashford has changed his mind about LB357, it's too bad he isn't here to explain and express why he now opposes the bill. And I was going to address Senator Chambers but I'm going to just ask him, and I know he's listening, to some questions that I have and I've asked him this before, whether or not he likes sales tax. Senator Chambers, I'm not addressing you. I'm going to give you a little time here in a minute or two. You're defending the sales tax for the benefit of the state because you have expressed the thought that we may need more room at the state level to increase the sales tax. And I think that's what you said. And I would ask, if there were a bill right now to increase the state sales tax to 6 percent to make more funds available for services for our citizens, would you vote for that bill? And should everyone in Nebraska pay sales tax as it currently stands? I voted for LB357 for two reasons. It requires a supermajority of the city council and it requires an affirmative vote of the people. To me that's local control. I think that's appropriate. I think it's okay. How much time do I have, Mr. President? [LB266]

SENATOR KRIST: Three minutes, 20 seconds. [LB266]

SENATOR CARLSON: I would yield the balance of my time to Senator Chambers. Thank you. [LB266]

SENATOR KRIST: Senator Chambers, you have 3 minutes 20 seconds. [LB266]

SENATOR CHAMBERS: Thank you, Mr. President. Thank you, Senator Carlson. When I mentioned the state's tax base being shrunk, that had no reference to the position I would take on any specific measure that came before the Legislature. But here's where my opposition to the sales tax does come in. If you add this half percent in Omaha, then it becomes necessary in the view of a majority of the legislators to add an additional state sales tax; it's going to be on top of this additional half percent that you're talking

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

about now. So it plays into my opposition for using the sales tax, period. But whether I like the sales tax or not, everybody is going to have to pay it except people who are purchasing from those special interest groups who are able to have their products exempted from the sales tax. Not everybody is going to pay a sales tax. Not everybody pays a sales tax now. The ones who pay the sales tax all the time are the ones most vulnerable who, as was pointed out by one of the speakers, will not be at hearings before the Revenue Committee when these types of bills come up. If you look at those who supported it, they're the municipalities. You expect them to be there. They have paid lobbyists; that's their job. But the people who have a real job trying to make the money to pay the sales tax, among other things, don't come to our hearings and we don't expect them to be there. We know they're not going to be there. And for these Chairpersons that stand up and say the things that they say, I discount that altogether. And I'm shocked at Senator Lathrop and especially Senator McGill. When she...well, I don't have enough time. But I'll remind her of something off the mike when she was a struggling "fresh person" senator and one of the old-timers was going to prorate some money for school lunch programs, and she didn't know what to do. So guess who took that person on and defeated his effort? I did. And I didn't think it was an extraordinary situation. [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR CHAMBERS: I thought it was a matter of what ought to be done. Did you say one minute or time? [LB266]

SENATOR KRIST: One minute. [LB266]

SENATOR CHAMBERS: Oh, thank you. And I'm not talking about a quid pro quo here. But for her to have so much enthusiasm in opposition to this and then to say that there has to be an extraordinary situation for this rule to be utilized and the Legislature to act, it boggles my mind. For some people when you're a Chairperson, as I say, I discount what Chairpersons say on this issue. I'll be blunt about it. What Senator Lathrop says is his opinion, but I disagree with it strongly, and he and I will have a conversation off the mike. But this is one of those matters which is not going to come to a vote today. It was given a specific amount of time, so when the time runs out the motion will not have been defeated so the bill is not killed. And this may not be the last time you will hear this motion this session. [LB266]

SENATOR KRIST: Time, Senator. [LB266]

SENATOR CHAMBERS: Thank you, Mr. President. [LB266]

SENATOR KRIST: Colleagues, now based upon the agenda we will now turn to Select File, 2013 senator priority bills. Mr. Clerk. [LB266]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

CLERK: Mr. President, with your permission, a couple of items to read. The Government Committee offers notice of confirmation hearing and I have an amendment to LB44 to be printed. (Legislative Journal page 912.) [LB44]

Mr. President, Select File, Senator Murante, I have LB153. I do have Enrollment and Review amendments, Senator. (ER29, Legislative Journal page 721.) [LB153]

SENATOR KRIST: Senator Murante for a motion. [LB153]

SENATOR MURANTE: Mr. President, I move to adopt the E&R amendments. [LB153]

SENATOR KRIST: You heard the motion. All those in favor say aye. Opposed, nay. Motion carries. [LB153]

CLERK: I have nothing further on the bill, Senator. [LB153]

SENATOR KRIST: Senator Murante for a motion. [LB153]

SENATOR MURANTE: Mr. President, I move to advance LB153 to E&R for engrossing. [LB153]

SENATOR KRIST: You have heard the motion. All those in favor say aye. Opposed, nay. Motion carries. [LB153]

CLERK: Mr. President, LB153A. Senator, I have no amendments to the bill. [LB153A]

SENATOR KRIST: Senator Murante for a motion. [LB153A]

SENATOR MURANTE: Mr. President, I move to advance LB153A to E&R for engrossing. [LB153A]

SENATOR KRIST: You've heard the motion. All those in favor vote aye. Opposed, nay. Motion carried. [LB153A]

CLERK: Mr. President, LB429. Senator, I have no Enrollment and Review. The first amendment to the bill, Mr. President, Senator Kintner, AM720, Senator. [LB429]

SENATOR KRIST: Senator Kintner. [LB429]

SENATOR KINTNER: Well, thank you, Mr. President. And I want to tell Senator Crawford, you've worked very hard on this bill. You've bent it, you've molded it, you've squished it together to try to make this work. And I think she's got this bill as good as

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

we're going to get it and I respectfully withdraw my amendment. [LB429]

SENATOR KRIST: Withdrawn. Thank you. [LB429]

CLERK: Mr. President, Senator Crawford would move to amend with AM925.  
(Legislative Journal page 906.) [LB429]

SENATOR KRIST: Senator Crawford. [LB429]

SENATOR CRAWFORD: Thank you, Mr. President. And thank you, Senator Kintner, I appreciate that very much and I appreciate talking with me off the mike about the issue and raising your concern. Appreciate that. Thank you. Throughout the session, we've met with stakeholders ranging from the State Patrol, DHHS, the Department of Roads, DAS, and the State Treasurer Stenberg's Office. And as I...and after the bill passed overwhelmingly on General File, the university and a few other agencies have contacted us with concerns about specific types of contracts. While these agencies and departments vary in size and purview, they had one thing in common. Most of their concern were agreements that outlined specific services offered to specifically named individuals. And we originally considered a broad exemption to exempt contracts with individuals like that from the provisions of LB429. However, counsel from multiple committees raised concerns about a broad exemption such as that, that they raised concerns about a similar broad exemptions already in statute that have been misused in the past to avoid compliance with those other statutes. Therefore, we carefully crafted the clarifications in AM925 to exclude particular types of common contracts that pose specific challenges to being posted on-line. These clarifications were drafted conscientiously to limit administrative work required to identify and limit those contracts. These clarifications will assist agencies of various sizes, including public universities of higher education like the University of Nebraska, and smaller ones such as Veterans Affairs. Another clarification in AM925 involves personnel contracts, including those of public universities of higher education. As I noted earlier, a dollar amount policy doesn't address those concerns. We are careful in selecting various...excuse me, and so those exceptions that we have in the bill are for specific contracts that are for specifically named individuals and clarifying that we do not include personnel contracts in any of the agencies, commissions, boards that are included in the bill. Already in the bill, we were careful in selecting the deadlines for this bill. As I noted in the committee hearing, LB429 states the contracts database will be live on the Department of Administrative Services Web site by July 1, 2014. This will then be linked to the [NebraskaSpending.gov](http://NebraskaSpending.gov) and go live on that date. In addition to providing 12 months for the Web site to get up and running, this also means that we will have next session, if there are any other similar concerns as those that we are addressing in this amendment that arise between now and then. AM925 also allows agencies and departments the option of withholding instead of redacting confidential information. With that, I'd urge you to vote yes to advance AM925 and also to support LB429 to bring greater openness

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

and transparency to the business of the state. Thank you. [LB429]

SENATOR KRIST: Thank you, Senator Crawford. You've heard the opening to AM925. Those wishing to speak: Senator Mello, Larson, Avery, and Lautenbaugh. Senator Mello, you're recognized. [LB429]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. I rise...I rise in support of AM925 and the underlying bill. I really would like to appreciate Senator Crawford as well as Treasurer Stenberg as well as a variety of state agencies who worked with them on this bill and this amendment. It does an awful lot of good in regards to expanding, obviously, the transparency of our state contract system in the state by making sure that those contracts are downloadable from [NebraskaSpending.gov](http://NebraskaSpending.gov). But the other reason I stood up, and the pages just passed it out, and Senator McCoy and myself spoke earlier and he spoke on the previous motion, later this afternoon upon adjournment there's going to be a professional development opportunity for us legislators here in the Legislature in regards to learning more about civil discourse, civility, and how we can build trust within the legislative arena. I think, in part, due to some of the unique floor debate we had yesterday morning with members who ultimately had a little bit of concern, as well as I think were very emotional in regard to some of the issues that are in front of us processwise, I think this training opportunity provides a very ample opportunity for those 49 of us to spend quality time with each other and learn a little bit more about civil discourse. The reality is, is that we have disagreements on policy. Senator Murante and myself may wholeheartedly disagree in regards to a rules change amendment, or Senator Janssen and myself may wholeheartedly disagree on tax policy. But the uniqueness is, is how we correspond and treat each other, of why we have a policy debate at the end of the day that doesn't become personal, doesn't become vindictive, and ultimately doesn't become negative in our point of trying to make arguments. Good people can disagree and that's part of what we'll discuss, I imagine, this afternoon with former representative Ted Celeste from Ohio and South Dakota State Senator Mike Vehle are here today to kind of moderate the training. And I've been fortunate with Senator Nelson and Senator McCoy to participate in a preliminary training they did last year at a Council of State Governments conference in Cleveland. It was a very worthwhile experience to learn from other legislators, their perceptions of civil discourse, and the basis of how we can bring more civility into public life. Because right now at Day 55 of this session, things are becoming a little heated. Things are becoming a little overemotional in regards to issues that frankly don't need to become overemotional. We all have our own individual priorities as senators. We all believe a certain public policy is the absolute way the state needs to move forward. But the reality is that there's a legislative process that ideally tries to build trust in the public in regards to how we conduct our business. How we correspond and treat each other is indicative of how we ultimately will create final legislative products that become state law. I think this afternoon's training is a very good opportunity for all of us before we go away for the week and have a refresher, and realize that we may have disagreements

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

on policy. We have disagreements on how we get to that policy, but we shouldn't, ultimately, take those disagreements out on each other in a very personal, vindictive way of trying to find ways to needle each other. To take opportunities to try to put each other in, I would say, the hot seat, so to speak, of trying to play gotcha with each other when we're trying to discuss the people's business, which is why we're here and what the people expect of us. So, one, it starts upon adjournment. I know there's a good number of senators who have RSVPed. It's a great opportunity for us, one, to be able to have, I think, a frank and candid dialogue amongst each other, learn a little bit about each other, and learn from each other in regards to what we see civility playing in the public life as well as playing in the public arena here within our legislative Chambers. [LB429]

SENATOR KRIST: One minute. [LB429]

SENATOR MELLO: With that, I'd urge the body to adopt AM925, LB429, encourage as many members as they can to join us this afternoon at this professional development training. Thank you, Mr. President. [LB429]

SENATOR KRIST: Thank you, Senator Mello. Senator Larson, you're recognized. [LB429]

SENATOR LARSON: Thank you, Mr. President. Would Senator Crawford yield to some questions? [LB429]

SENATOR KRIST: Senator Crawford, will you yield to some questions? [LB429]

SENATOR CRAWFORD: Yes. [LB429]

SENATOR LARSON: Thank you, Senator Crawford. Is it part of the intent of LB429 to make sure that the public can have access to agency contracts to enhance transparency and to ensure that the public can properly scrutinize of, or approve of how tax dollars are being spent by state agencies? [LB429]

SENATOR CRAWFORD: Yes. And, in fact, it also applies to commissions and boards and it would also apply to the Nebraska Environmental Trust. [LB429]

SENATOR LARSON: Excellent. [LB429]

SENATOR CRAWFORD: So, you would be able to look at those contracts, which actually I looked this morning to see if I could find those contracts to see if those property tax protections are in there, and I can't find those contracts on-line anywhere. So if this bill passes, we'll be able to see those contracts and see what the property tax protections are and scrutinize those. [LB429]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

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SENATOR LARSON: Thank you, Senator Conrad...or Crawford. [LB429]

SENATOR CRAWFORD: Thank you. [LB429]

SENATOR LARSON: And I, as well, would contend that there are other bills out there that have been introduced this session that also enhance transparency and ensure that state agency contracts are given due oversight so that the public can properly scrutinize or approve of how tax dollars are being spent, which is similar to the intent of your bill. Also, is it part of the intent behind LB429 to provide easily searchable database, as you've already said, to allow that the public can look for specific contracts and look at specific details of each contract to ensure that a state agency is doing what it says it is doing, or says it is going to do with the specific powers given to that agency in statute? [LB429]

SENATOR CRAWFORD: Yes. [LB429]

SENATOR LARSON: Again, I would contend that there are other bills introduced this session that are similar in this respect as well. These bills would require state agencies to lay out details in their contracts so that the public can look at these contractual transactions and ensure that the state agency is doing what it says it's going to do and has the power to do. My last question, Senator Crawford, right now, can anyone go to DAS and ask to see a state agency contract? [LB429]

SENATOR CRAWFORD: Are you saying, can you go and request a public record of a contract, is that your question? [LB429]

SENATOR LARSON: Yes. [LB429]

SENATOR CRAWFORD: I believe public record rules do allow someone to put in a public records request for a contract, yes. [LB429]

SENATOR LARSON: Thank you, Senator Crawford. So both LB429 and other bills introduced this session make the Legislature impose a requirement on a state agency to do something that it already does, but do it in a more specific manner in order to give more oversight and transparency to that agency, correct? [LB429]

SENATOR CRAWFORD: Providing contracts on-line so they are searchable without a public records request is not the same thing as your ability to go to an agency and request a public records. [LB429]

SENATOR LARSON: But I guess the point I was making was, they are...I mean, this is already available to do. I'll support AM925 and Senator Crawford's LB429 through

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

Select File at this point and obviously there's always concerns as a member of the Appropriations Committee where the budget is going, so. But through Select File, I'll support that, and because I do try to be consistent when I look at government transparency and making it easier for the public to have the ability to oversee state agencies. Thank you, Mr. President. [LB429]

SENATOR KRIST: Thank you, Senator Larson. (Visitors introduced.) Returning to debate, Senator Avery, you're recognized. [LB429]

SENATOR AVERY: Thank you, Mr. President. Good morning, colleagues. I supported this bill in committee and I still support it, but I have a few questions I'd like to ask of Senator Crawford about the amendment, if she would yield. [LB429]

SENATOR KRIST: Senator Crawford, will you yield to some questions? [LB429]

SENATOR CRAWFORD: Yes. [LB429]

SENATOR AVERY: I look at this amendment and I see that there are at least five exemptions that are being added to the bill, is that correct? [LB429]

SENATOR CRAWFORD: Yes, there are exemptions. I don't know if there are exactly five. I could look and count but I trust your ability to count, so. (Laugh) [LB429]

SENATOR AVERY: Well, I'm not sure if I got it exactly right, but this raises a question for me as to whether you think this weakens the bill? When I hear clarifications, and that's often the way amendments are brought to us, this is a clarification. And if you dig a little deeper and you find out it's a little bit more than a clarification. [LB429]

SENATOR CRAWFORD: I appreciate your skepticism, Senator Avery, and I know that you are a big fan of good government and transparency and our concern, but to make sure that we don't weaken this. In my...I believe that the exceptions that are granted here are cases where it is a contract...most of them are cases where they are contracts that are specific services for specifically named individuals and their families. And that includes things like housing contracts and University of Nebraska. And I don't think the spirit of the bill is that we really want to have housing contracts for each of those students...the hundreds of students in the residence halls in the University of Nebraska redacted of any personal information and posted on-line. So I believe these are reasonable clarifications, exceptions, to the bill and so I was in favor of including them. And also to clarify, we added them here in the statute because this is not something that will have a rules and regs process to do that kind of clarification in rules and regs instead. So that's why they're in the statute. Thank you. [LB429]

SENATOR AVERY: Thank you. I am going to trust your judgment on that. I just would



Floor Debate  
April 05, 2013

---

remind you that we had a bill not too long ago in this session on open records and I had a lot of people come to me. I was under intense pressure for exemptions to this and that group, and exemptions here and there and everywhere, and it...if I had accepted all of those requests, we wouldn't have had much of a bill left. And so I figure that you've experienced some of that pressure, too, particularly when you're asking people to do things they haven't been doing before. That often leads to multiple requests for exemptions. But I just think that we have to be careful when we are exempting any activity or agency from important legislation. This was, and probably still is, a very important bill. I would like to ask you one more question, if you would yield again. [LB429]

SENATOR CRAWFORD: Yes. [LB429]

SENATOR AVERY: With these exemptions, what is left in the bill that is of substantive value? [LB429]

SENATOR CRAWFORD: Substantive value are thousands of contracts that are the basis of state expenditures. These are contracts to various vendors and citizens. And we, as lawmakers, will be able to go to one site to search by vendor or amount or agency, board, or commission and see all of the agreements that are the basis of state expenditures. The only exceptions here are, again, mostly they are agreements between an agency and a specifically named individual... [LB429]

SENATOR KRIST: One minute. [LB429]

SENATOR CRAWFORD: ...and their family and internal personnel contracts. [LB429]

SENATOR AVERY: Thank you. With that, I intend to support the amendment and, of course, the underlying bill. Thank you, Senator Crawford. Thank you, Mr. President. [LB429]

SENATOR KRIST: Thank you, Senator Avery and Senator Crawford. Senator Lautenbaugh, you are recognized. [LB429]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. And I did support this as well and Senator Crawford has worked very hard on this. She's been more diligent than anyone I can recall in coming around to the committee and making sure that the amendment does enough and that it addresses concerns, etcetera, etcetera, and I'll continue to support this bill. I do want to do sort of a PSA in the tradition of Senator Mello here, based upon Senator Chambers' handout. And I'll be brief. It's a letter from the Public Pulse. I'll let you read it. I'll point out one thing from the first paragraph. There was a gentleman in Douglas County who apparently didn't know where to vote, so he, quote, asked three of his neighbors where to go vote. I don't know

Floor Debate  
April 05, 2013

---

if he asked them as a group or individually, but I would submit to you that that is not terribly rational behavior before an election. I was at a candidate forum for OPS candidates, and there was a gentleman there chewing out the reporter from the World-Herald, because the World-Herald reporter couldn't tell him where to go vote on election day. And I said, sir, here is the number for the Election Commission. You should call the Election Commission. If you didn't read your voter card, you should call the Election Commission and find out where to go vote. It's amazing the information that can be gleaned from actually calling the office that's responsible for the thing you're trying to find out information on. And it is disappointing to me that this is handed out and said, oh, this will become part of the record of problems in Douglas County. Folks, you have to meet us halfway. You have to read your voter card. And we all do get them and things don't get lost routinely in the mail in Douglas County. That just doesn't happen. It's on you at a certain point to actually read your voter card. And if you're troubled before election day as to where to go vote, you should look it up on-line or call the Election Office. You don't ask your neighbors, even three neighbors, to get an array of opinion. You don't complain to the World-Herald. You call the Election Office or you look it up on-line. The voting is fairly important and to do...of course, this gentleman shows, apparently, according to this letter that was handed out today, and then say, well, this means, we need a new Election Commissioner. I would suggest that the Election Commissioner was not the problem in his experience. That, perhaps, irrationality was the problem in his experience. And then he cites another example of a woman he heard about, and we'll never know who that was, who had to take six buses to get to her polling place because she took the first two to the wrong polling place, then she had to take two more buses to get to the right polling place, and then the same two buses to get back. Folks, most precincts are a mile across. Some of them are two in Douglas County. I defy you to find one that would take a couple different bus routes to get to, but if you're worried about it, you should probably again seek out the information ahead of time, find out where you're going, and take the right bus or somehow, incredibly, succession of buses to travel the one mile or two miles to get to the right place. This is a common theme on election day: irresponsibility, failure to plan, masked as, well, someone should have told me more. This is always somebody else's fault. Well, folks, guess what. I was there. I know what this is like. I took these calls. I'm the one who got chewed out when someone's polling place used to be on one side of 680 and then it was moved to the other side of 680... [LB429]

SENATOR KRIST: One minute. [LB429]

SENATOR LAUTENBAUGH: ...and that just wasn't fair because that was an extra six blocks to go. And I asked, well, you understand you go there once or twice a year at best, can you fight through it? Well, I guess so. I tire of this topic and I can only imagine how tired all of you are of this topic, but this is a good man who gets constantly beat upon the last couple of years. And when you look into what's being said, it's more often than not nonsense. It's rarely fair. It gets repeated. It becomes part of the record and it's

Floor Debate  
April 05, 2013

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wrong. And if we want to talk about civility, I don't think we should worry about just within this body. Thank you, Mr. President. [LB429]

SENATOR KRIST: Thank you, Senator Lautenbaugh. Senator Mello, you are recognized. [LB429]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. I will be brief. It was maybe more of a point of clarification that I wanted to rise as I had heard some questions and answers from Senator Larson and Senator Crawford, and I think there is a point of distinction that needs to be made that currently you cannot go to [NebraskaSpending.gov](http://NebraskaSpending.gov) and download a PDF of a state contract. That is something that is currently not able to be done by a taxpayer, a legislator, or anybody else. So that needs to be clarified. It's not something that we're just redoing in statute or something that can already be done. That cannot be done. Just for point of clarification, you cannot go to [NebraskaSpending.gov](http://NebraskaSpending.gov) and download a PDF of a state contract for you to peruse that contract. That is...this is a new way to provide more additional transparency and actually it's more to be able to provide more information to public documents. Now, if an agency has a rule and regulation of how they govern contracts within their own rules, and we want to codify a rule and regulation into statute, that's a different idea. I had a bill actually that did exactly that in the Department of Health and Human Services to codify a rule and regulation of childcare oversight. Ultimately, they updated their rules and regulations and ultimately I withdrew the bill because there was no need to codify in state statute their updating of their rules and regulations. But it needs to be clarified that what Senator Crawford is doing in LB429 is not that. It's not codifying something that currently is being done through the Department of Administrative Services. It's not codifying something that the variety of other state agencies, code and noncode agencies, are currently doing, because they're not. This is requiring a new level of transparency by providing the full document, the full signed contract that is not available on-line for all of these state agencies under one Web site, one searchable Web site. It's not the same thing. And I just wanted to make sure to clarify that for the body and for the record and saw some of the Q&A that was going on, I kind of got I thought where it was going, but I wanted to emphasize it's not the same thing as other possible pieces of legislation that senators may try to draw logic to. It's a completely new thing that is not being done right now by these state agencies where senators can ultimately pull all of the contracts from Health and Human Services, all of the contracts from the Department of Roads, from Economic Development, from DNR, from DEQ, a variety of state agencies. That's not available now. And I applaud Senator Crawford for bringing this bill forward, provide the public at-large the ability to go to one Web site and download the physical PDF documents signed by the state and a vendor who wants to do business with the state. It's good government. It's more transparency, and it's good information that both us as a Legislature and the public can use moving forward. Thank you, Mr. President. [LB429]

Floor Debate  
April 05, 2013

---

SENATOR KRIST: Thank you, Senator Mello. (Visitors introduced.) Senator Crawford, you are the last person in the queue if you'd like to combine your comments with your closing. [LB429]

SENATOR CRAWFORD: I'd be happy to do so. Thank you, Mr. President. And thank you, Senator Mello, for clarifying what is not available currently on [NebraskaSpending.gov](http://NebraskaSpending.gov) and how this bill adds to that. And thank you also for the work...great work that you have done and your staff has done on this issue getting it to this point in past sessions and over the interim. I appreciate that greatly. And I also want to thank Senator Avery for his wise counsel from experience, and I want to assure him that we did indeed turn down many requests for exceptions. And these were ones that we felt were appropriate to include in the bill and so that's why we brought those exceptions forward as amendments to the bill. I also want to thank Senator Avery for his hard work on public records. And for the record, I want to clarify that this bill is not...for the record, I want to clarify that this bill is not intended to replace that process and so also responding to Senator Larson's comment as well. The public records process will remain and having the important and strong public records process and rules is important. This Web site and this bill and the Web site access that it creates, creates a more user-friendly way for people to see what's happening with various contracts. That may then cause them to put in a public records request to try to get more information about a contract that they have some concerns with. But this allows the citizen, the media, the journalist, or the lawmaker to have easy access to those contracts as a...without the bureaucracy of the public records request. But it is in no way intended to replace that process. That's a very important process and I thank Senator Avery for his hard work in making sure that process remains a strong one for citizens to use. This is an additional tool for citizens to use that will allow them to have access to important information in terms of how we're using our state money and our state authority, which is very important. In closing, government transparency is important, which is why I chose this bill as my priority. The state of Nebraska has an obligation to provide this information in a usable format. Throughout the debate, LB429 has taken a variety of forms, yet the ultimate goal has remained constant: meaningful transparency to the state contracting process to ensure Nebraska meets this obligation to its citizens. Government serve on the behalf of citizens and we are entrusted with taxpayer dollars to do this job well. Our work needs to be done in an open and transparent way. The Taxpayer Transparency Act which this body passed in 2009 has increased the openness of Nebraska state government. However, there is still work to do, particularly in the area of state contracts, which is what LB429 seeks to address with the help of the amendments in AM925. These contracts use taxpayer money. Nebraska taxpayers have a right to know where their money is being spent and should be able to find this information without having to shift through layers of bureaucracy or separate Web sites or make separate public requests for each contract. Transparency is a Nebraska value and always has been. I'm very proud to serve in a Legislature that is as transparent as our Unicameral is. Every bill gets a public hearing. Committees stay sometimes until

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

late hours of the night until every citizen who wishes to speak on a bill can be heard. We have citizens who visit the Capitol every day and sit in the gallery listening to the floor debates. NET streams our discussions live on their Web site and on television throughout Nebraska. Governments have increasingly relied on contracts to carry out the role of the state. We are very transparent in the work we do here. It's important that these contracts, which do the work of the state for our state, are transparent as well. For these reasons, I ask you to vote for AM925 and to vote for LB429 to continue the work of transparency in Nebraska state government. Thank you. [LB429]

SENATOR KRIST: Thank you, Senator Crawford. Colleagues, you've heard the closing on AM925. The question is, shall the amendment to LB429 be adopted? All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB429]

CLERK: 29 ayes, 0 nays, Mr. President, on adoption of Senator Crawford's amendment. [LB429]

SENATOR KRIST: The adoption passes. [LB429]

CLERK: I have nothing further on the bill, Senator. [LB429]

SENATOR KRIST: Senator Murante for a motion. [LB429]

SENATOR MURANTE: Mr. President, I move to advance LB429 to E&R for engrossing. [LB429]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. Motion passes. Colleagues, we'll be skipping over LB429A today. Mr. Clerk. [LB429]

CLERK: Mr. President, LB530. Senator, I have Enrollment and Review amendments, first of all. (ER30, Legislative Journal page 761.) [LB530]

SENATOR KRIST: Senator Murante for a motion. [LB530]

SENATOR MURANTE: Mr. President, I move to adopt the E&R amendments. [LB530]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. Motion passes. [LB530]

CLERK: Senator Dubas would move to amend with AM739. (Legislative Journal page 805.) [LB530]

SENATOR KRIST: Senator Dubas. [LB530]

Floor Debate  
April 05, 2013

---

SENATOR DUBAS: Thank you, Mr. President and colleagues. The majority of this amendment are recommendations that were made by Revisors, but they just felt that it was too much to put into an E&R amendment. So we are clarifying language in Section 3 that simply states the Foster Care Reimbursement Rate Committee shall be appointed by the Children's Commission. And then it adds language that if the Children's Commission is terminated, the Governor will make future appointments to the rate committee with the approval of the Legislature. Section 4 changes the requirement for "written" reports to be submitted to "electronic" reports will be submitted. The additional change deals with intent language. There has been concerns raised by people that I've been working with on this bill about contracts between providers and the department. So simply through intent language trying to deliver the message to the department that, again, the child welfare reform is moving forward. Things are starting to stabilize, but, you know, we aren't there 100 percent yet. This intent language simply states that the child welfare reform is just beginning to stabilize so we encourage the continuation of existing contracts with providers. In a hearing with the Appropriations Committee, Director Pristow was asked some questions and he basically reinforces what we are putting in as intent language that they are hoping to continue the contracts with providers that they have now. They are looking at some other things in how they're doing their contracts, but I think they also are recognizing the need for stability, so we're adding the intent language. The rest of the amendment just goes on to clarify some language and make sure that everything is going the direction that it's supposed to. Thank you. [LB530]

SENATOR KRIST: Thank you, Senator Dubas. Colleagues, you've heard the opening on AM739 to LB530. Senator Chambers, you are recognized. [LB530]

SENATOR CHAMBERS: Mr. President, I think it's essential that I make a comment about why I left the floor. I take my whippings when they come because that's a part of this, but there was an announcement made that the Chief of Police in Omaha would give a press conference at 10:30 and I wanted to hear that press conference rather than read in the newspaper what he had said. He completed his press conference, so that's why I'm back. And some of you might wish that his press conference had gone a little longer but it did not. Thank you. That's all I have. [LB530]

SENATOR KRIST: Welcome back, Senator Chambers. [LB530]

SENATOR CHAMBERS: Good to be back. (Laughter) [LB530]

SENATOR KRIST: Seeing no one else in the queue to speak, Senator Dubas, you're...Senator Dubas waives closing. The question is, shall the amendment to LB530 be adopted? All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Mr. Clerk, please record. [LB530]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of Senator Dubas' amendment. [LB530]

SENATOR KRIST: The amendment is adopted. [LB530]

CLERK: I have nothing further on the bill, Mr. President. [LB530]

SENATOR KRIST: Mr. Murante for a motion. [LB530]

SENATOR MURANTE: Mr. President, I move to advance LB530 to E&R for engrossing. [LB530]

SENATOR KRIST: You've heard the motion. All those in favor say aye. Opposed, nay. Motion passes. [LB530]

CLERK: Mr. President, LB530A. Senator, I have no amendments to the bill. [LB530A]

SENATOR KRIST: Senator Murante for a motion. [LB530A]

SENATOR MURANTE: Mr. President, I move to advance LB530A to E&R for engrossing. [LB530A]

SENATOR KRIST: You've heard the motion. All those in favor say aye. One more time. All those in favor say aye. Opposed, nay. Motion passes. Thank you. Items for the record. [LB530A]

CLERK: Thank you, Mr. President. Hearing notice from Health and Human Services Committee and amendment to be printed, Senator Coash, to LB362. That's all that I have. (Legislative Journal pages 913-915.) [LB362]

SENATOR KRIST: Thank you, Mr. Clerk. Back to the agenda, please.

CLERK: Mr. President, LB216, a bill by Senator McGill. (Read title.) Senator McGill presented her bill yesterday. The Health and Human Services Committee amendments were presented as well. Those amendments are currently pending, Mr. President. (AM502, Legislative Journal page 669.) [LB216]

SENATOR KRIST: Senator McGill, would you like to refresh us? [LB216]

SENATOR MCGILL: Yeah, real briefly. I had my light on so I can start addressing some of the questions from yesterday, but as a real quick recap here off the top, this is the bill to extend services and supports to youth voluntarily, as they leave the foster care

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

system, until the age of 21. We have a committee amendment pending and then I have another amendment to limit this program just to foster care youth and to those who are dually adjudicated by HHS and OJS but removes the OJS kids. And with that, I thank you, Mr. President, and I'll explain...deal with some of those other questions in a few moments. [LB216]

SENATOR KRIST: As the Clerk stated, there are committee amendments and, Senator Campbell, would you refresh us, please? [LB216]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. Just real quickly, the committee amendment clarifies that the department is not required to have legal counsel present at the young adults' permanency review hearings. Secondly, it raises the age from 14 to 16 years of age when the department is required to give information about this program to youth in foster care. Number three, it puts the oversight of this act under the Children's Commission and clarifies ex officio members in order to be in compliance with the Nebraska Constitution. Number four, it expands the description of case management to include the development of a case plan for these young people and makes some language changes to provide flexibility and clarity to the intent of the program. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Campbell. Returning to debate on LB216, Senator McGill, you are recognized. [LB216]

SENATOR MCGILL: Thank you, Mr. President, members of the body. Before I start addressing yesterday's concerns, I just want to share a little bit about today being the Stand for the Silent Day, an antibullying day where thousands of kids across our state are standing from 9:00 a.m. to 9:00 p.m. I have made the pledge to stand with them, so if you see that I am standing on people's hands today, it's because we are standing up to change the culture in our schools and in our youth to put an end to bullying. There's a rally here at the Capitol at 8:30 tonight if anybody watching would like to attend, but I wanted to address that really quick because it's a special day that a lot of kids are taking part in. Back to the bill, I wanted to address some of the concerns or questions that were brought up yesterday and clarify some of my thoughts and provide some additional information. We talked...Senator Hadley asked yesterday about findings from other states who have had a program like this, and there are some really great numbers out there. Washington State started a pilot program in 2006 and they've seen some great increases in attendance of college and kids staying in college for longer periods of time. There's a decrease in the number or those receiving food stamps are on it for a shorter period of time, and the youth in the program were less likely to be arrested for a misdemeanor or felony crime. Some other studies out of Illinois show that homelessness is reduced and educational attainment is increased, which ultimately results in higher lifetime earnings. So in other states they are seeing some very positive results. In fact with Washington State, they think the taxpayer benefit is \$1.35 for every



Floor Debate  
April 05, 2013

---

\$1 that's spent on the program. And then up in Douglas County over the last couple of years there has been some private money put into trying to provide better services. It doesn't provide the housing part of it but just better services to youths to try to help them coach them through those transitional years though Opportunity Passport, was the program, and I know the Sherwood Foundation helped fund that and Nebraska Children and Families Foundation. And I have some results over here on my desk that I can show folks the increase in educational attainment and transportation and how many youth are working in the work force if they participated in this program. So there are good results out there but more needs to be done. And what's happened in Douglas County was that they were seeing good results but one of the big hang-ups was the housing issue and helping kids...well, not be homeless. I want to address some of Senator Coash's comments, and I believe he was going to speak a little bit as well, and he asked why this is the right option and why we should be focusing on this issue and others. And, you know, Senator Coash and I, Senator Campbell, Senator Dubas, all of the HHS community have really been working over the last couple of years to fix our broken foster care system; and we took a huge step forward last year when we restructured the system. And I think that this is the year then that we need to come in and help make corrections on both the front end and the back end. Senator Coash has a bill to try to better determine who should be accepted into foster care and taken out of the home, and I feel that this, my bill, helps solve some of the problems on the back end. And hopefully, with our restructuring in Senator Coash's initiative, we'll have less kids aging out of the system eventually. Hopefully, the work we've been doing over these last couple of years will be fruitful. But I feel we should capitalize on the changes we made last year and push forward with this and with juvenile justice reform. I am in the position where I'm on the Judiciary Committee so I am aware of many of the OJS reforms that Senator Ashford and Senator Krist have been working on over there and also have been very involved with the HHS Committee on this issue. So I feel like I have a pretty good idea of the bigger picture that we're working on here,... [LB216]

SENATOR KRIST: One minute. [LB216]

SENATOR MCGILL: ...and it's not as fragmented as it otherwise could be. This amendment...well, the amendment I have pending in a few minutes limiting the bill to kids in foster care and those who are dually adjudicated is the best option we have in order to bring the fiscal note down, because the other option would have been to limit the bill just to 19-year-olds, which would only give kids one year in the program. And I'm just afraid that that wouldn't be enough time, and you'd have kids who don't realize for six months that they want to...that they really need this aid so they become homeless and think, oh my goodness, I need a program. And this program would still be available to them but for only six months. So I feel that for it to truly be effective it needs to be the full two years, so limiting the population is the appropriate thing to do. And I've learned that the programs in other states really do focus on those foster care youth and not the OJS youth. So when I'm rattling off statistics about the effectiveness in other states, it

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

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really is about the population that we are whittling this down to in terms of them moving forward. And I'll push my light for... [LB216]

SENATOR KRIST: Time, Senator. [LB216]

SENATOR MCGILL: ...more time. Thank you. [LB216]

SENATOR KRIST: You bet. Thank you. Those wishing to speak: Senator Coash, Hansen, Campbell, Dubas, and McGill. Senator Coash, you're recognized. [LB216]

SENATOR COASH: Thank you, Mr. President. Good morning, colleagues. I spoke on this a couple of times yesterday, so I'm just going to repeat a couple of things quickly, and my intent here is to get us focused on what we need to be doing with regard to not only this initiative but every one. And I do have concerns, not about the merits of the bill but just where we may end up in about 30 days. I am of the opinion that if this is important, we need to fully fund it. If this becomes a priority for our Legislature, then let's not find ourselves at the end saying, well, we want to do it for this amount but we're going to have to do it for 70 percent of that amount. We are in the position today because of decisions like that. If we decide that this is important, let's do it. And I'm going to support this bill and the committee amendment and the upcoming amendment, because I want it to move. And I want to get a new fiscal note and then we're going to take a close look at that and we're going to say, does this fully fund what we think is going to happen? Now the disagreement surrounds whether or not...it surrounds utilization. I think Senator McGill has talked about that. It's really difficult to predict. We know how many kids will probably be eligible. We don't know how many kids will take advantage of it. So at the end of the day, we have to prepare for every kid who's eligible will take advantage of it. And if you're going to set something up that's going to help people, then you want every kid who's eligible to take advantage of it. But it is difficult to say. And I checked with Senator McGill before we started debate. This is an entitlement program, which means we can't just say here's the money; when it's done, sorry, wait till the Legislature appropriates more money. If you're going to do this, we have to do it. Senator Campbell will probably speak to that in a moment because it's important to realize that we can't just appropriate money and then at the end of the day, if the checkbook runs out, tell the next person who needs the service, well, sorry, we're out of money. Doesn't work like this, with this bill. So if we're going to do it, we need to do it. Now at the end of the session, we get in here, we're going to have a handful of bills that are going to try to address the same issue, and we'll see where this one fits with regard to the cost when we get there. I'm going to challenge us to decide where we want to best put our resources. I don't want to get to the situation at the end of the session where everybody is willing to take what they can get so that we can feel like we did something and we didn't address the core issues. As I said yesterday, we need LB216 because our system has failed kids who are in the system now. LB216 is about kids once they leave and they're ill-prepared and they're in a bad spot, because when they

Floor Debate  
April 05, 2013

---

were in the system we didn't do what we needed to do. We've got other bills to try to address what happens with a kid in the system and we're going to have to make some decisions about do we want to get our bang for our buck with kids in the system so that LB216 becomes less necessary, or do we want to continue with some of the problems that we've had and then the need that LB216 is trying to address continues to grow? I think our role in this body, colleagues, is we've got to start looking at core issues. And the core issues, when they're not addressed, necessitate bills like what we're debating today. We're debating this bill because we have children who come out of the system... [LB216]

SENATOR KRIST: One minute. [LB216]

SENATOR COASH: ...and they end up in homeless shelters. We have to talk about this bill because when children come out of the system, they're ill-prepared to work, they're ill-prepared to live independently, they're ill-prepared to deal with substance abuse. And this will all come around again because a lot of times those kids find themselves in the corrections system. And I sit on the Judiciary Committee where we talk about the increasing numbers of inmates. So make no mistake, colleagues, these things are all connected and our job is to take a 50,000-foot view of these issues and see if we can get to the core problems. And if we don't, LB216 will be the first fix and we'll have to bring another fix and another and another, and if we don't address those core issues, we are in big trouble, colleagues. So thank you for the time. I'm going to urge my colleagues to pass this bill to the next level because we've got to get a handle on the cost. And I will end where I started, which is if this is important, it's important to fund and it's important to fund 100 percent. Thank you, Mr. President. [LB216]

SENATOR KRIST: Time. Thank you, Senator Coash. Senator Hansen. [LB216]

SENATOR HANSEN: Thank you, Mr. President, members of the Legislature. I was looking up some research on this bill yesterday and ran across a program. And I was wondering if Senator Campbell would yield. [LB216]

SENATOR KRIST: Senator Campbell, will you yield to a question of Senator Hansen? [LB216]

SENATOR CAMPBELL: Certainly. [LB216]

SENATOR HANSEN: Senator Campbell, I looked on the Internet, some of the HHS...the department's programs that they have, and they have one in the Nebraska Division of Children and Family Services, Nebraska Homeless Assistance Program. And in there I found this sentence on the...in the beginning of it, that it was approved July 22, 1987, and over the eight next years legislation was amended four times--1988, 1990, '92, and '94. And then on May 20, 2009, President Obama signed the bill

Floor Debate  
April 05, 2013

---

reauthorizing the McKinney-Vento funding. And then in 2001, Legislature passed LB516, the state Homeless Shelter Assistance Trust Fund. Are you aware of this program, Senator? [LB216]

SENATOR CAMPBELL: Yes, Senator. Senator Howard and I were just talking about it. [LB216]

SENATOR HANSEN: Okay. I was looking...I mean if we're talking about these young folks that are young adults that are aging out of the foster care system, and I've met several of them and I know that they certainly have adult issues right out of the box, so they do need some care and help and assistance. But I read on through the 16-page report and on page 6 the eligible program participants: extremely low-income individuals and families, household income below 30 percent of the area median income, and that are at risk of becoming homeless and moving into emergency shelter. So that sounds like it might include someone aging out of the foster care program. [LB216]

SENATOR CAMPBELL: Senator... [LB216]

SENATOR HANSEN: Go ahead. [LB216]

SENATOR CAMPBELL: Oh, I'm sorry, Senator Hansen. I didn't mean to interrupt. This program, a lot of money comes into it from the federal government, so it's a federal program. And by and large, it comes to...in Lincoln, we have a People's City Mission so they would get that. This program applies to...just as you said and is probably used by adult shelters more than what we would see foster kids going into. [LB216]

SENATOR HANSEN: But they are adults. At 19, they become an adult,... [LB216]

SENATOR CAMPBELL: Yes, they could utilize this. [LB216]

SENATOR HANSEN: ...young adult. [LB216]

SENATOR CAMPBELL: I'm sorry, Senator Hansen, yes. [LB216]

SENATOR HANSEN: They become a young adult is all. [LB216]

SENATOR CAMPBELL: Yes, they could utilize the shelters, but I think that what we're trying to see here is not meant...the shelters are meant as a short time gap. When you go to the People's City Mission here, it's meant as a short time. What Senator McGill is trying to do in her bill, Senator, is create a way to have a more longer term and build in a case plan so that there is more than just a short term in a shelter. [LB216]

SENATOR HANSEN: I understand that and I agree 100 percent. But if we have rules

Floor Debate  
April 05, 2013

---

and regulations already in place with the Department of Health and Human Services, I think that those should be utilized also. The Housing Relocation and Stabilization Services Financial Assistance: security deposit equals no more than two months' rent; last month's rent is paid by the owner of the housing facility at the time the security deposit and the first month's rent is paid; moving costs are covered; utility deposit is made by the program; the housing search and placement is assistance with... [LB216]

SENATOR KRIST: One minute. [LB216]

SENATOR HANSEN: ...with submitting rental applications, understand leases, assessment of housing; housing stability case management, so they get case management that they may or may not be getting now. I'm not sure, but it doesn't look like it. And it doesn't give an age limit, doesn't give a minimum or maximum. This is for individuals and for families too. So the Housing Relocation and Stabilization Services: credit repair, if they have bad credit, they can help them get a free credit report, resolving personal credit problems; eligible costs include credit counseling and other related services. And it goes on for a couple more pages, but it looks like we have something in place that may be able to be used in place of Senator McGill's bill that creates an entire new part of HHS, I assume. [LB216]

SENATOR KRIST: Time, Senator. [LB216]

SENATOR HANSEN: Thank you. [LB216]

SENATOR KRIST: Thank you, Senator Hansen and Senator Campbell. (Visitors introduced.) Returning to debate, Senator Campbell, you are recognized. [LB216]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. I want to address several questions also that were posed yesterday, and I'm sorry that Senator Kintner is not here because he asked a question yesterday about, well, do we just send a check to a 19-year-old, and I thought asked a very legitimate question, what could they spend that on. I know there were times in my life that probably my mother questioned what I was spending my money on so I thought it was a worthwhile question to address. We have to remember in Senator McGill's bill that is before us the youth voluntarily participates in this program, but what that means is that there is a case plan laid out what the child and youth is trying to achieve and that case plan is in the court system. So there is a review process of that case plan and I should think that as a judge hears an update on that case plan, that if that young person is not living where they said they would or going to work or going to school then certainly the program would be dropped or, alternately, to find out why. If you want to take a look at how that would work, it is in Section 9 in the green copy on page 12. So there is a review. This isn't just like, well, here's the money, go out, get an apartment, get a job, we'll see you. There is a lot more to this in order to help that young person transition into a productive

Floor Debate  
April 05, 2013

---

taxpaying adult. The second question that was asked yesterday had to do with is this an overall umbrella, and yes. I talked about the Children's Commission, but I want to mention that there are four bills this year that carry on the work of what we did last year and have certainly a continuing emphasis. They are meant to be tied together. There is a strategic plan. We do know where we're going. Those four bills: and we just dealt with Senator Dubas' bill on the payment to foster parents; the second bill is the bill we're debating right now, LB216; the third bill we will hear about, it has appeared on the agenda, it will come up, it is Senator Coash's bill having to deal with defining and refining the language dealing with kinship and relative care; and the last is LB269, which is again a clarification of some of the issues that have arisen in the child welfare reform. The last item I want to note is we are trying here not to put a young person in a shelter. And I appreciate Senator Hansen's questions because there are programs out there for the shelter. This program is meant to have a case plan and to help plan very diligently to help that young person. Some people in the foster system, they're ready to age out. They know what they're doing, they have a job or they're going to like Southeast Community College. But we have other young people who are floundering, and when they get out of foster care they don't know where to go. Shelters are a short-term fix. We're trying to help that young person make a transition and build for the rest of their life, and that's what makes LB216 a very significant program. It's not a short-term gap. It's help. Let's help that person. [LB216 LB269]

SENATOR KRIST: One minute. [LB216]

SENATOR CAMPBELL: Thank you, Mr. President. It's the old adage, help people by the bootstraps. That's what this is meant to do is to help those young people. And I would really appreciate your support of AM502 and LB216. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Campbell. (Visitors introduced.) Returning to debate, Senator Dubas, you are recognized. [LB216]

SENATOR DUBAS: Thank you, Mr. President and colleagues. I want to pick up where I left off yesterday in talking about Project Everlast because it's just a great organization. And we're talking about, through Senator McGill's bill here and a variety of other bills that we'll be discussing, providing financial resources to these young people. But I want to make sure that the body knows that these aren't the only dollars, these aren't the only supports that are out there for these young people. Project Everlast has a long list of partners who are doing incredible things to help these young people, you know, get on their feet, move forward with their hopes and their goals. But this financial assistance that will be provided through LB216 is an important component to help these organizations continue their good work in supporting these young people. So we've got Boys Town, we've got Camp Fire U.S.A., CASA, Catholic Charities, Central Plains Center for Services, Central Plains Center for Services Preparation for Adult Living,

Floor Debate  
April 05, 2013

---

Charles Drew Health Center, Child Saving Institute, Family Housing Advisory Services, Goodwill, Heartland Family Services, KVC, Metro Area Continuum of Care for the Homeless, Nebraska Children's Home Society, Nebraska Families Collaborative, Nebraska Department of Health and Human Services, OneWorld Community Health Center, Omaha Community Foundation, Omaha Home for Boys, Omaha Public Schools, OMNI Behavioral Health, Open Door Mission, Planned Parenthood of Nebraska, Region 6, Sherwood Foundation, The Salvation Army, the University of Nebraska Medical Center Munroe-Meyer Institute, Uta Halee and Cooper Village, Voices for Children, William and Ruth Scott Family Foundation, Youth Emergency Services--a long list of partners who are doing great things to help these young people. So it's not like it's just the state all by itself is trying to provide services for these kids. This is a great example of public-private partnership. And through the work that these organizations are able to do through their private donations and the work that they do and the additional financial resources that we can provide as a state in putting a plan in place through statute, directing how this money is to be used, again it's just a great opportunity for us to help these young people reach their goals and become productive members of the society, and that's all that they want. They want to be able to do this, but they don't have the fortune of coming from, you know, a stable family home or having those people or that place to go that's a soft place to land when they're struggling. And you know, I mentioned this yesterday. Imagine your own children at 19 where you just say, okay, you're on your own, go out and try to make it happen. We're fortunate that we're able to be there for our children. This is a multifaceted issue and that is exemplified through the number of bills that were introduced this session and the subject matter of those bills. We're needing to address this on multiple levels. And while I agree with what Senator Coash is saying about if it's worthy and it needs funding, let's fund it, because there are so many issues and so many components to what we're trying to do, we can't fund everything fully. And I guess my feeling is, as frustrating as I am that I would like to have full funding for all of the issues that are out there, we can't. And so I think it's far better to make sure that every issue is being addressed somewhat and we keep moving forward. Someone told me, you measure your successes in inches rather than miles; and while that is frustrating at times, I think that's the best course that we can take right now. [LB216]

SENATOR KRIST: One minute. [LB216]

SENATOR DUBAS: The important factor is--thank you, Mr. President--that we keep moving forward and that we keep addressing all of these issues that were raised through the child welfare reform. That was a great leap that we took through the passage of the child welfare reform but that package of bills also said we still have more work to do. And Senator McGill's bill, my bill, the other bills that Senator Campbell just mentioned are a continuation of moving that reform forward and making sure that everything to some degree is being taken care of and that we just keep putting one foot in front of the other and making sure, remembering that these dollars are being invested

Floor Debate  
April 05, 2013

---

directly in children. And I believe firmly that's the best investment that we can make and those dollars are not wasted when we put them into the future of these children who are the future of Nebraska. Thank you. [LB216]

SENATOR KRIST: Thank you, Senator Dubas. Senator McGill. [LB216]

SENATOR MCGILL: Thank you, Mr. President, members of the body. I'll kind of pick up where I left off and also, as Senator Campbell did, try to address Senator Hansen's concerns in terms of the homeless shelters that currently exist. Well, frankly, these kids are currently at the homeless shelters and, as we're seeing from John and from other folks that we've talked about, it's not cutting it for them. And frankly, just having them in a homeless shelter so they can be in some other government-subsidized housing is just creating dependency on the government system. This is an investment in them to get independent living with the casework that truly...I mean you can go to page 5, 6, and 7 of the green copy of the bill and it lists all of the different services these kids will be getting from their caseworker while in the system, things that we know aren't happening at our homeless shelters, and that are very targeted at this specific population. And you'll see how we're trying to do everything we can to get them independent so when they are out of the...turn 20 or when they do turn 21, they'll have the education behind them or a steady job and they'll be able to get an apartment on their own and not need a government-subsidized program for the rest of their lives. So just keeping them in the shelter is just moving them that way. Our shelters are already very full. So Senator Hansen is advocating for the status quo and that just is not working for these youth. Senator Campbell addressed Senator Kintner's concerns in terms of the housing stipend and the fact that there's caseworkers that will be visiting with these youth, checking in on them at least once a month, and they would be able to identify if that funding was being used appropriately or not. In some cases, if they feel that the child isn't responsible enough, they can make that payment directly to the facility that they're living in or the complex that they're living in. In terms of the fiscal note, really, I ask for the body's support in advancing a couple of amendments and moving this bill forward so we can get a fresh fiscal note and so that we know what we're looking at. I have numbers from Mainspring and their projections on how many kids would use the program. I know HHS is still thinking it's 50 percent of kids would be using it. But we need to see what that final number looks like and then I'm open to negotiating. If they feel that the 20 percent, 25-30 percent that we think will use the program is too low, I firmly absolutely believe that 50 percent is too high of an estimate. That is not how many kids use the program in other states that have been using...the other states that have had this program for years don't see a 50 percent participation rate. But I do appreciate what Senator Coash is saying in that we don't want to underestimate either how many kids will use it and we want that funding there that's available. So I ask for folks to vote for these amendments and the bill so we can get it to Select File and have a fresh fiscal note that I can work with HHS to come to a conclusion or negotiate a compromise on. Thank you, Mr. President. [LB216]



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR KRIST: Thank you, Senator McGill. Senator Burke Harr, you are recognized. Senator Harr waives. Seeing no one else in the queue, Senator Campbell, would you like to close on the amendment? [LB216]

SENATOR CAMPBELL: Thank you, Mr. President and colleagues. We appreciate very much your questions on this bill. We've spent a number of years looking at this issue, working on this issue, and certainly for the young people that have spoken so eloquently about what it is to be a foster youth and to leave the system and have absolutely no one that they can call upon or talk to is heartrending. So I would very much appreciate your support of the amendment to Senator McGill's bill. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Campbell. You've heard the closing. The question is, shall the amendment to the committee amendment...I'm sorry, the committee amendment to LB216 be adopted? All those in favor vote aye; opposed, nay. [LB216]

SENATOR CAMPBELL: President. Mr. President. [LB216]

SENATOR KRIST: Go ahead. [LB216]

SENATOR CAMPBELL: I'd like a call of the house, please. [LB216]

SENATOR KRIST: Thank you. There's been a request for a call of the house. All those in favor vote aye; opposed, nay. Record, Mr. Clerk. [LB216]

CLERK: 24 ayes, 0 nays, Mr. President, to place the house under call. [LB216]

SENATOR KRIST: The house is under call. Senators, please record your presence. Those unexcused senators please...outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senator Campbell, how would you like to proceed? [LB216]

SENATOR CAMPBELL: I will take call-ins, Mr. President. [LB216]

SENATOR KRIST: Thank you. Senator Gloor, Senator Burke Harr, Senator Ken Haar, Senator Lathrop, Senator Avery, Senator Chambers, and Senator Lautenbaugh, the house is under call. And I understand you want to do call-ins, Senator. [LB216]

SENATOR CAMPBELL: Yes, Mr. President, that will be fine. [LB216]

SENATOR KRIST: Mr. Clerk. [LB216]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

CLERK: Senator Conrad voting yes. Senator Lathrop voting yes. Senator Avery voting yes. Senator Carlson voting yes. Senator Ken Haar voting yes. Senator Burke Harr voting yes. [LB216]

SENATOR KRIST: Record, Mr. Clerk. [LB216]

CLERK: 28 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB216]

SENATOR KRIST: The amendments are adopted. The call is lifted. Mr. Clerk. [LB216]

CLERK: Mr. President, Senator McGill would move to amend with AM879. (Legislative Journal page 902.) [LB216]

SENATOR KRIST: Senator McGill. [LB216]

SENATOR MCGILL: Thank you, Mr. President. Members of the body, this is the amendment that takes out the OJS population and will significantly bring down the fiscal note. I know the fiscal note is what concerns many folks, including my friend John Wightman behind me who was just asking questions. I ask for your advance of this, knowing that it will significantly bring down the fiscal note, but I need to get a new fiscal note from HHS with the passage of this so that we can negotiate between now and Select File on that final cost. This bill also puts in some specific requirements regarding recommendations to be made by the Nebraska Children's Commission, which I think is very important. And besides cutting out the OJS population, it cuts out the 18-year-old population which was originally in the bill. Some of them choose to leave the foster...or have the opportunity to go into independent living before they've hit 19, and we originally wanted to catch some of those youth. But while trying to cut down the fiscal note, we went ahead and cut out those 18-year-olds and delayed implementation of some of the services until January of 2014. With that, I ask for your advancement. [LB216]

SENATOR KRIST: Thank you, Senator McGill. The floor is now open for debate on the amendment. Senator Coash, you are recognized. [LB216]

SENATOR COASH: Thank you, Mr. President. I thought it would be helpful for the body to understand the type of kids that are being excluded because of this amendment and the type of kids who are left in as a result of this amendment. Senator McGill, if I'm correct, AM879...would Senator McGill yield? [LB216]

SENATOR KRIST: Senator McGill, will you yield to Senator Coash? [LB216]

SENATOR MCGILL: Yes. [LB216]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR COASH: Senator McGill, am I correct, as you stated in your opening, AM879 eliminates the OJS kids? [LB216]

SENATOR MCGILL: Yes, it does. [LB216]

SENATOR COASH: And it still keeps in the original bill the...what we call the "3-A" kids, correct? [LB216]

SENATOR MCGILL: Yes, it does. [LB216]

SENATOR COASH: Okay. Thank you, Senator McGill. Here's what that means, colleagues. We're using acronyms here, OJS and "3-A," and let me just break it down for you, so you understand the type of kid that's going to be affected should this amendment be successful and ultimately signed into law. There are typically two types of kids who find themselves into the system, and the system is HHS, and that's when somebody other than a parent, a mom or a dad, is providing for your care, then the system becomes the state of Nebraska. State of Nebraska becomes your guardian. Sometimes you get placed in foster care but that doesn't mean the foster care parents are your guardian; it means the state is your guardian. Now some kids find themselves into the system because of things that happened to them. They find themselves abused, neglected, abandoned, left to the world as children. You call the hot...you see an abused child, your neighbor, you're a teacher and a kid comes in with marks and the investigation shows that that child was abused at home, those are the types of kids who are left in this bill. Those are the types of kids who LB216 is narrowly now trying to focus their support to. Now AM879 excludes a bunch of kids and those are the kids who find themselves in the system because many times of decisions that they've made. They find themselves in the system because they're status offenders and adjudicated for breaking the law, for not going to school. Some of those kids have good parents, but they make poor choices. They find themselves in the court because they've broken the law. So what Senator McGill is trying to do is she's trying to say, look, there are kids who don't have moms and dads to go back to. When they turn...when most kids turn 19 and they struggle, they have Mom and Dad to back them up. The kids Senator McGill is trying to address here don't have that. They were abused and neglected. That's why they got into the system in the first place. So I thought that would be helpful for the body to understand. And with that, I will yield the remainder of my time to Senator McGill, if she so chooses. [LB216]

SENATOR KRIST: Senator McGill, you're yielded 1 minute 50 seconds. [LB216]

SENATOR MCGILL: I'll just simply say that that is accurate and what we're leaving in this bill is, like I said earlier, what most states do who have this program. And I'll just add that I'm also going to spend some time between now and Select File researching in

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

other states exactly what percentage of their foster care youth that are aging out are actually using these programs so that hopefully, you know, I can make the strongest case possible for, you know, what we are estimating the number of kids to be that will use our program, which will, of course, directly impact the fiscal note. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator McGill and Senator Coash. Senator Nelson, you are recognized. [LB216]

SENATOR NELSON: Thank you, Mr. President, members of the body. I'd like to address a question or two of Senator McGill, if she will yield. [LB216]

SENATOR KRIST: Senator McGill, will you yield? [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR NELSON: Thank you, Senator McGill. I've been listening as intently as I can and trying to understand what you're doing here. Senator Coash clarified things a little bit. He referred to OJS. That's... [LB216]

SENATOR MCGILL: Office of Juvenile Services. [LB216]

SENATOR NELSON: Juvenile Services. So you are taking those out of the bill,... [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR NELSON: ...as I understand it. [LB216]

SENATOR MCGILL: Yeah. [LB216]

SENATOR NELSON: And what's the status of those people? What kind of support are they going to get then? [LB216]

SENATOR MCGILL: Yeah, and that's what's troubling and why some of us really get heartburn over taking this population out because many of them have the same needs of those who are in traditional foster care. But we've been working in the juvenile justice end of things. We have a bill from Senator Ashford we'll be debating later this year to try to get those kids the better types of therapy and more effective therapy earlier in life so that they are on a better path. That's what Senator Krist's pilot program has tried to do over the last year or two, and we want to expand that statewide. [LB216]

SENATOR NELSON: I've been listening for numbers. If you take the OJS, how

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

many...what percentage or how many people are we reducing this by? [LB216]

SENATOR MCGILL: Well, I currently estimate...we were going...my estimates, which are different than HHS's, but my estimates were that the original bill would have helped about 400 kids and this brings it down to 175 youth. [LB216]

SENATOR NELSON: All right. And that would reduce the fiscal note... [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR NELSON: ...in the same ratio... [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR NELSON: ...pretty much. So we're coming from 400 down to 175. [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR NELSON: About to 40 percent of the number you originally...40-45 percent that you originally proposed to cover? [LB216]

SENATOR MCGILL: Well, we're also cutting out, besides just cutting out the OJS kids, we're cutting out all 18-year-olds that were in the original green copy of the bill as well. So the fiscal note is actually even smaller... [LB216]

SENATOR NELSON: Okay. [LB216]

SENATOR MCGILL: ...because of that. [LB216]

SENATOR NELSON: And when you say you're cutting out 18-year-olds, that's from being advised that this is available to them? [LB216]

SENATOR MCGILL: No. There are some kids that leave foster care during their 18th year of life. There are voluntary paths to doing that. So this was to help those youth. [LB216]

SENATOR NELSON: That they are able to leave at age 18? [LB216]

SENATOR MCGILL: Some of them can. [LB216]

SENATOR NELSON: All right. [LB216]

SENATOR MCGILL: But the fiscal note we have estimated is \$266,000 in the 2014

Floor Debate  
April 05, 2013

---

budget year, and about \$1.2 million in the 2015 fiscal year. I think the numbers may end up being a little bit higher than that if I'm negotiating with HHS and trying to find exactly what percentage we think will be using the program. [LB216]

SENATOR NELSON: All right. All right. Thank you. I appreciate that additional information. If I have any other time, I will yield that to Senator Coash, if he has any more questions or comments. No. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Nelson. Senator Brasch, you are recognized. [LB216]

SENATOR BRASCH: Thank you, Mr. President, and thank you, colleagues. I have had a conversation with Senator Coash and there's so many questions I have. I would support the amendments. I'd like to see the fiscal note. But my thoughts and discussion would go to I understand Senator Ashford has a bill where you would have vocation a part of our educational process. I attended the interim meeting between Department of Education and Department of Labor, and they have a phenomenal plan that is in place in other states where young people, during their junior high and high school years, learn a trade, an occupation, a skill that they can carry with them moving forward in life and should they choose to move on to a four-year college and beyond. That seems like a sound program starting early on. We've seen the First Five years program come into place. We learned that 60 percent of Nebraska's children overall, regardless, foster care or a traditional family or an extended family, nontraditional family, 60 percent live in poverty. We have so much work to do, I believe, on the local level and within our communities. I also wonder about what happens during foster care. Is there a program that Department of Health and Human Services has with those in charge of these children, or is it a roof over your head, a place to eat? Is it a shelter situation or is it nurturing, guidance? Many, many families struggle with those early years, whether it's the group where children are victims of terrible circumstances or is it the angry, questionable years that they have parents and the family structure is not meeting the behavioral needs? We have so much here. And I would hope that through Health and Human Services that there are programs existing in other agencies, other entities, local organizations, faith-based organizations, youth groups, places for foster parents, for all parents to turn whether we need to...and again, I have constituents that have talked to me about this. There is only so much money that we have to work with and it will need to go to constituents with all needs through The Arc programs, through other programs. So I'll support the amendments. I want to see what the fiscal note is. I would need more information, knowing what our foster care program encompasses for that child under their protection, under the state's protection. I have no other comments but I commend the thoughtfulness behind this that we do need to protect children and help them to have the best start possible and to have the ability to help themselves after leaving the program. What is that age? I'm not sure. I have a coffee cup that someone had asking, at what age are you old enough to know? And... [LB216]

Floor Debate  
April 05, 2013

---

SENATOR KRIST: One minute. [LB216]

SENATOR BRASCH: ...that's a magic number. Thank you, Mr. President and colleagues. [LB216]

SENATOR KRIST: Thank you, Senator Brasch. Senator Conrad, you are recognized. [LB216]

SENATOR CONRAD: Thank you, Mr. President. Good morning, colleagues. I visited with Senator McGill briefly before I hit my light on because I, by no means, want to derail what has been a very productive debate. But there is one key point that I think has been missing as I've been listening over the last day or so and that I would be remiss if I did not note at this stage. I couldn't agree more with Senator Brasch, who noted there's only so much money that we have to spend. There is no debating that issue. And quite frankly, I commend Senator McGill and Senator Coash and Senator Campbell and others who are working to try and address the fiscal note on this bill, but I also want to point out how sad that is, how we are making an arbitrary distinction to remove young people who desperately need these services from the equation in order to attend to fiscal concerns. And I appreciate that is a reality; however, we do have to remember that our actions do have impact. And with the corporate tax reform, and the individual income tax reform, the roads earmark, and the largest tax cut in state history we have...this body has continued to eviscerate our revenue base and it does have impacts. When we talk about critical human services, this is what we're talking about. And I think that we have to be thoughtful about that when we address this issue, when we look at the agenda and we see that there is going to be important debates regarding education funding, important debates regarding healthcare for our citizens just a few weeks down the road. And all of those do have fiscal impacts and we need to be thoughtful about those fiscal impacts. But it seems particularly compelling at this stage in the debate that Senator McGill is working hard to try and do the best that she can with the situation presented, but we're really making an arbitrary cut here. We're leaving out those who have a clear and demonstrated need, and that is a sad reality. I wanted to make that point so that we can have that on the record and so that it's also foreshadowed when we look at not only healthcare debates, not only education debates, not only issues affecting kids, but also the tax cut bills that are before this body this year and next. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Conrad. Senator Bloomfield, you're recognized. [LB216]

SENATOR BLOOMFIELD: Thank you, Mr. President. I'd like to ask Senator McGill, a couple questions, if I could. [LB216]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR KRIST: Senator McGill, will you yield? [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR BLOOMFIELD: I'm struggling with this, Senator McGill. I don't pretend to understand all the nuances tucked away in it. How long can a young person...I don't think we should be calling them children anymore because they've already aged out of the childhood part, but how long can a young person stay on this program? [LB216]

SENATOR MCGILL: This would be through their 19th and 20...through 19 and 20, until they turn 21. [LB216]

SENATOR BLOOMFIELD: Until they turn 21. [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR BLOOMFIELD: So it could be for... [LB216]

SENATOR MCGILL: It's for two years. [LB216]

SENATOR BLOOMFIELD: ...two years, basically. [LB216]

SENATOR MCGILL: And some of them may not choose to go into the program right away. They might choose, when they're 19.5, to start using the program. [LB216]

SENATOR BLOOMFIELD: Okay. We...I just did a little rough calculation and the numbers that were put out comes out to roughly \$8,000 a year per individual. Is that somewhere near right? [LB216]

SENATOR MCGILL: I had been told \$6,000 to \$7,000 a person, yeah. [LB216]

SENATOR BLOOMFIELD: I've never attended college, but what's it cost to go to Wayne State for a year? [LB216]

SENATOR MCGILL: I don't know what it costs to go to Wayne State for a year. [LB216]

SENATOR BLOOMFIELD: Or any other local college? [LB216]

SENATOR MCGILL: I mean that funding is largely the housing and the caseworker that is helping them with their services. [LB216]

SENATOR BLOOMFIELD: Okay, I've... [LB216]



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR MCGILL: It's \$35,000 a year to house a prisoner though (laugh) Senator... [LB216]

SENATOR BLOOMFIELD: Well, (laugh)... [LB216]

SENATOR MCGILL: ...Conrad has just told me. So once they go to jail, it's a...this is a much better savings when you look at it that way. [LB216]

SENATOR BLOOMFIELD: I'm... [LB216]

SENATOR MCGILL: Or when you look at the food stamps that they're...like all the other things that they're on. [LB216]

SENATOR BLOOMFIELD: I'm not recommending that we send them to jail. I just wonder if there isn't a better way of educating them than maybe spending this money after they've already exited the foster care program. I'm also told by the good folks on the other side of the glass that this is reaching back, trying to pick up those that we've lost over the last two or three years, and that those numbers should continue to go down. Does that...under the new rules that HHS is applying, that we should see these numbers go down? Does that sound reasonable? [LB216]

SENATOR MCGILL: Well, the hope would be that as we're trying to take fewer youth out of the home, so only taking kids that really need to be taken out, and with all the changes we're making within the department, within the programs, we hope to find permanency for more youth. I mean that's the problem is these kids are aging out without a permanent home, without being adopted when they're a lot younger. They're in group homes and just out on the street. So if we could find the right foster family for them and get them the right therapy, then we would have the numbers go down. And that's what we've been working on the last couple years. [LB216]

SENATOR BLOOMFIELD: Okay. But that makes me kind of wonder if maybe we could possibly look at a sunset on this somewhere down the road, two or three years. Would that be a possibility, you think, and we'd come back and take another look at it, rather than to make it permanent? [LB216]

SENATOR MCGILL: Well, we can do that at any time with any program, even if it does or does not have a sunset in it. Regardless of, you know, the number going down, I adamantly believe there will always be kids who are in need of this program because there will always be kids being taken out of the home when they're 15 or 16 and don't have the time or ability or the right caseworkers to get them permanency or a foster family willing to take them in. So I believe some form of this program will always be needed. It's just the numbers may go down. If anything, I want to come back in two years--well, I can't but maybe Kathy or Colby will--and say, look at these OJS kids; that

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

look at the benefits of what it's done for these kids aging out of foster care; this could also be benefiting this OJS population. [LB216]

SENATOR BLOOMFIELD: And that's one of the things that scares me. It is a natural part of government, whenever we do a little something, it never goes away; it just gets bigger, it costs more money. And I'm a little fearful of this thing. I know where you're trying to go and I appreciate that. I had the opportunity to work with Senator Campbell for a couple years and I know what you're trying to do. I know there are struggles there. But I also know there will be a number of good, sound, \$30,000 priority bills go away if we spend \$1 million here. So thank you. [LB216]

SENATOR KRIST: Thank you, Senator Bloomfield and Senator McGill. Senator Coash, you're recognized. [LB216]

SENATOR COASH: Thank you, Mr. President. Would Senator McGill yield to a question? [LB216]

SENATOR KRIST: Senator McGill, will you yield? [LB216]

SENATOR MCGILL: Yes. [LB216]

SENATOR COASH: Thank you, Senator McGill. I thought I was done. Then I was listening to the exchange between you and Senator Bloomfield, and I think he brought up some points. And I wanted to ask you, is there an evaluation component to LB216? [LB216]

SENATOR MCGILL: There isn't, but that would not be a bad idea. [LB216]

SENATOR COASH: Do you think that...I might recommend that and I'll be glad to work with you... [LB216]

SENATOR MCGILL: Uh-huh. [LB216]

SENATOR COASH: ...on Select File, because I think Senator Bloomfield brings up a point. We don't...we're talking about a lot of money here. And you may be gone but down the road I'd like to know,... [LB216]

SENATOR MCGILL: Uh-huh. [LB216]

SENATOR COASH: ...are we keeping a kid who would get this service from going to jail? Are we keeping a kid... [LB216]

SENATOR MCGILL: Uh-huh. [LB216]

Floor Debate  
April 05, 2013

---

SENATOR COASH: ...who would enter into this program from falling into substance abuse or things like that? I think a sunset is one approach, but I for one would like to know, and the Legislature I think deserves to know with an expenditure of this magnitude, are we getting what we thought we would get and are we saving money by diverting a kid? [LB216]

SENATOR MCGILL: Uh-huh. [LB216]

SENATOR COASH: Because for your benefit, Senator Bloomfield, I can tell you where these kids end up, right? These are the kids that I used to take to the homeless shelter, right? I run into them from time to time. Lincoln is a pretty small community. And what I'm hearing, a lot of them spend some time in jail, a lot of them struggle with substance abuse. They certainly are not productive members, as you would hope. You put all that government resource into them all through the system; you'd like to see them pop out better than when they went in, because those kids, when they go in, are not...they're coming out of bad situations and you want to see their situation improve. Certainly we improve safety when they enter into the system, but we don't prepare them as well as a parent. Now some of those kids coming out of the system, their best chance is to reconnect with a family. Their best chance of success is to reconnect with somebody who can give them the support. But unfortunately, the kids that Senator McGill is targeting here, they're in the system because their family did some pretty bad things to them. So that family support system has been lopped out from underneath them. And so those are the kinds of kids we're talking about. I would encourage Senator McGill and the Health Committee to explore how we can further evaluate this so that if this becomes the law of the land and we know what's going on with these kids, we can make better decisions in the future whether or not a program like this continues to be necessary or needs to be expanded or whatever the case may be. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator Coash. (Visitors introduced.) Seeing no one else in the queue, Senator McGill, you are recognized to close on your amendment. [LB216]

SENATOR MCGILL: Thank you. I just pulled up my own amendment actually and there is some language in there about the Children's Commission and how they are tasked to, to read it directly, develop specific recommendations for expanding or improving outcomes for similar groups of at-risk young adults. So there is some tasking of the Children's Commission to be looking at the outcomes and how to make them better if the things in this program aren't working within this amendment. I'll take another look at the whole thing between now and Select to see if there could or should be a more specific evaluation piece that asks to track certain outcomes or not. I'll take a look at that. But I would caution that that study should take longer than just like a one-year or

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

two-year period because these are youth who we need to be able to look out past the age of 21. We need to be able to follow them for a good five years in order to know if we're really keeping them out of prison, if we're preventing them from getting pregnant. So we would need a longer period of time, I think, than just a traditional one- or two-year program. Again, I ask for your advancement of this amendment so we can get a new fiscal note and go from there. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator McGill. You've heard the closing on AM879. The question is, shall the amendment to LB216 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted that wish to? Record, Mr. Clerk. [LB216]

ASSISTANT CLERK: 31 ayes, 0 nays on the adoption of Senator McGill's amendment. [LB216]

SENATOR KRIST: The amendment is adopted. Further discussion on LB216? Seeing none, Senator McGill, you're clear to...or (laugh) yeah, right. [LB216]

SENATOR MCGILL: I will quickly close, if you'd like. (Laugh) [LB216]

SENATOR KRIST: Yes, ma'am. [LB216]

SENATOR MCGILL: I just ask every...members of the body to take another look at "The Costs of Aging Out Too Young" handout that I passed out yesterday. It talks about how 70 percent of women are pregnant by 21 or 62 percent have two pregnancies by that age if they were aging out of foster care; 80 percent of the young men will be arrested at least once, and 60 percent will be convicted of a crime. It also lists other things, like lost wages and lost tax revenue and funding for homelessness and just the overall costs of not doing anything, of the status quo, and how we can actually lower the dependency on government by investing in these kids right as they're aging out of the system. So I ask for your support of LB216. Thank you, Mr. President. [LB216]

SENATOR KRIST: Thank you, Senator McGill. You've heard the closing. The question is the advancement of LB216 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted that wish to? Record, Mr. Clerk. [LB216]

ASSISTANT CLERK: 28 ayes, 1 nay on the motion to advance the bill, Mr. President. [LB216]

SENATOR KRIST: The bill advances. Speaker Adams for an announcement. [LB216]

SPEAKER ADAMS: Thank you, Mr. President. Members, as you well know, on the last day of the week we work through the lunch hour. And what I'm hoping is, if you look at the next three bills that we have coming up on General File, we'll keep our eye on the

Floor Debate  
April 05, 2013

---

clock, but let's see if we can't move through those three bills yet today. Thank you, Mr. President.

SENATOR KRIST: Thank you, Speaker Adams. Mr. Clerk.

ASSISTANT CLERK: Mr. President, the next bill is LB495 introduced by Senator Sullivan. (Read title.) The bill was read for the first time on January 23 of this year. It was referred to the Education Committee; reported back to General File with committee amendments attached. (AM804, Legislative Journal page 838.) [LB495]

SENATOR KRIST: Thank you, Mr. Clerk. Senator Sullivan, you're recognized to open on LB495. [LB495]

SENATOR SULLIVAN: Thank you, Mr. President. This bill is about early childhood education and funding for programs that support that education using, in part, lottery dollar monies coming from what we call the Education Innovation Fund. LB495 would provide funds from this Education Innovation Fund to support early childhood education grant programs. The bill would allocate \$1.75 million in fiscal year 2013-14; \$1.85 million in fiscal year 2014-15; and \$1.95 million in fiscal year 2015-16 from the Education Innovation Fund to the Department of Education for early childhood education grants. These grants are awarded to programs that are provided by school districts or educational service units and serve children age three through the age of kindergarten eligibility. Now a new dimension, the bill would also allocate \$1 million from the Education Innovation Fund in fiscal years '13-14, '14-15, and '15-16 to what's called the Early Childhood Endowment Cash Fund to support grants for public school programs that serve children birth to three. The birth to three grant program is administered by the Early Childhood Education Endowment Board of Trustees. Now here's where it gets a little complicated in terms of moving money around and in terms of making possible these investments in early childhood grant programs. Currently, there are allocations from this Education Innovation Fund in fiscal years '13-14 through '15-16 for the following: one for integrated student information system; another one to the Center for Student Leadership and Extended Learning Act; for multicultural education; and for investigations regarding certifications on teachers and administrators. Now under LB495, these allocations would be eliminated. However, the bill also contains intent language to replace these allocations with appropriations from the General Fund. I think it's important to note that the Appropriations Committee's preliminary budget report accounts for the transfer of these items to the General Fund at a cost of \$806,236 for fiscal year 2013-14; and \$816,464 for fiscal year 2014-15. In addition to all of this, the bill would require that the Education Committee hold a public hearing on the biennial report on early childhood education programs and would clarify that the reporting requirement applies both the birth to three and the three to five grant programs. This, in essence, are the features of LB495, the legislation that encourages and provides funding for grants for early childhood education from birth through

Floor Debate  
April 05, 2013

---

kindergarten eligibility. I encourage your support. [LB495]

SENATOR KRIST: Thank you, Senator Sullivan. You've heard the opening on LB495. Those in the queue include Senator Hadley, Mello, Lautenbaugh, and Burke Harr. Senator Hadley, you are recognized. Oh, I'm sorry. Let's take a step back. As the Clerk said, there are committee amendments. And as the Chair of the committee, Senator Sullivan, you're recognized to open. [LB495]

SENATOR SULLIVAN: Thank you. This is, quite frankly, a technical amendment. It clarifies something that has to do with the definition of "program." And it just clarifies that when the word "program" is used, it refers to early childhood programs in general and not specifically the Early Childhood Grant Programs. That's all. [LB495]

SENATOR KRIST: Thank you, Senator Sullivan. You've heard the opening on the committee amendment and on the underlying LB495. And now we are ready for discussion. Senator Hadley, you are recognized. [LB495]

SENATOR HADLEY: Mr. President, thank you. Members of the body, again I find it rare that I'm speaking on issues that I don't know a lot about. But in my five years here, I've heard two speakers that have really made an impression on me. One was a professor from Harvard and the other was a professor from Emory that came and talked to the senators. And both of them talked about early childhood education. And the message that I left with is that these children are behind the eight ball from the day they're born and they never get out from behind the eight ball. And they spend their entire life struggling to get ahead. So anything we can do to help them I think is very appropriate. So I certainly stand in support of the amendment and the underlying bill to do something to help these children in the early childhood programs. The wealth of the parents shouldn't be used to try and determine the success of the children. And I think that is at times the situation we have. With that I hope you have a green vote on both of these. I would yield any remaining time to Senator Sullivan if she wishes to have it. [LB495]

SENATOR SULLIVAN: Thank you, Senator Hadley. You're absolutely right that this...we've heard from speakers over the last several years and the research will tell us that it is so important to invest in early childhood education, that it's a great return on investment. And it's good to know that the state of Nebraska and the efforts that we've done here in this body have moved us along this path. When I'm talking about some of these, particularly the three to five grant programs that go to our public schools, you know, we started the first provisions of these in 1990 and we currently have 152 school districts in our state that operate early childhood education programs. And in addition to that, there are 23...additional 23 districts participating in programs offered through the ESUs. So school districts are recognizing the importance of this. And giving additional monies to these grant programs is essential to keep the ball rolling in this regard. [LB495]

Floor Debate  
April 05, 2013

---

SENATOR KRIST: Thank you, Senator Sullivan. Senator Mello, you are recognized. [LB495]

SENATOR MELLO: Mr. President and members of the Legislature, I rise in support of AM804 and the underlying bill, LB495, for multiple reasons. First, Senator Sullivan discussed in the introduction of the bill, both the Governor's budget proposal and the Appropriations Committee preliminary budget proposal dealt with the Education Innovation Fund in multiple levels. One level was two years ago when we were facing, roughly, a billion dollar budget shortfall. We had shifted general funded obligation programs from the Department of Education to the Education Innovation Fund for a short period of time. Ultimately, with our preliminary budget proposal, and speaking this with Senator Sullivan, we took those one-time shifts back into the General Fund. But also part of a negotiation and compromise was we left part of the Early Childhood Grant Program that goes in the Department of Education, we left that fund...part of that funded in the Education Innovation Fund and which is why we have LB495. So, ultimately, for us to be able to move the budget process forward, I would argue this is one of a handful of bills that will need to pass in some form or another for us to hopefully be able to balance out where we are currently at right now in the preliminary budget. That being said, there is also some very good policy issues that are being addressed in LB495. And Senator Harms will, no doubt, get up and speak about early childhood education being a priority both within the Education Committee and, I believe, this year in the Appropriations Committee, as we continue to finalize the budget. And part of what LB495 does is it helps provide additional funding from the Education Innovation Fund for important life-changing early childhood education programs. And so I don't want to dwell too much, I know in Senator Harms and Senator Sullivan regards, to what they can give more detail about. But no doubt if anyone followed some of the testimony that we heard in the Appropriations Committee behind LB190, we had roughly four hours of very, very detailed, thoughtful, data-driven testimony on the importance of funding the most critical need right now in our educational system, which is early childhood education, and what happens if we don't do that. And so I applaud Senator Sullivan and the Education Committee for putting forward LB495, not just to help deal with budgetary issues that the Appropriations Committee is currently wrestling with, but also reemphasizing the importance of why we need to invest more in critical programs that help at-risk youth and at-risk young children, zero to five, through these early childhood education programs in the Department of Education, as well as through the Early Childhood Endowment Fund. With that, thank you, Mr. President. [LB495 LB190]

SENATOR KRIST: Thank you, Senator Mello. Senator Lautenbaugh, you are recognized. [LB495]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. I wonder if Senator Sullivan would yield to a question or two. [LB495]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR KRIST: Senator Sullivan, will you yield? [LB495]

SENATOR SULLIVAN: Yes, I would. [LB495]

SENATOR LAUTENBAUGH: Now, Senator, I think you were here this morning when we were talking about suspending the rules or pulling a bill from committee, I guess it was. Is that correct? [LB495]

SENATOR SULLIVAN: Well, I have to say I was sort of in and out, so I was only partially engaged. [LB495]

SENATOR LAUTENBAUGH: I know that feeling well. And you may have been here when I said it would need a seance to resurrect my charter school bill, do you recall that? [LB495]

SENATOR SULLIVAN: Actually, I don't, Senator Lautenbaugh. [LB495]

SENATOR LAUTENBAUGH: Okay. Well, that's good because that's not actually a correct statement because, I mean, this is an educational bill so I mean, theoretically we could just tack on and talk about charter schools, could we not? [LB495]

SENATOR SULLIVAN: Theoretically we could. [LB495]

SENATOR LAUTENBAUGH: But we both have a civility thing to get to this afternoon, don't we? [LB495]

SENATOR SULLIVAN: Among other things, yes. [LB495]

SENATOR LAUTENBAUGH: Okay, well, then I would not do that to you on this bill today. [LB495]

SENATOR SULLIVAN: Thank you very much. [LB495]

SENATOR LAUTENBAUGH: Thank you, Senator Sullivan. Now I'll yield the rest of my time to Senator Sullivan of course. [LB495]

SENATOR KRIST: Senator Sullivan, you're yielded 3 minutes and 50 seconds. [LB495]

SENATOR SULLIVAN: Thank you. I appreciate Senator Lautenbaugh's remarks, but I also appreciate Senator Mello's remarks. And I think it's important to note that with LB495 we're expanding the reach when we focus on early childhood grant programs that they not only are going to the three to five grant programs administered by school



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

districts and ESUs, but we're also looking at birth to three as being another component of this whole umbrella of early childhood education. And those are going to be going to the Early Childhood Endowment Fund and administered by the board of trustees. They still have to go through a public school connection, but I guess the main thing I wanted to point out is that we're recognizing that the sooner that we can get to a young person, and particularly children in families of at risk that the better off it's going to be. So I appreciate your attention to this matter. [LB495]

SENATOR KRIST: Thank you, Senator Sullivan. Senator Burke Harr, you are recognized. [LB495]

SENATOR HARR: Thank you, Mr. President and members of the body. I just have some questions on the funding of this underlying bill if Senator Sullivan would be willing to yield to some questions. [LB495]

SENATOR KRIST: Senator Sullivan, will you yield? [LB495]

SENATOR SULLIVAN: Yes, I will. [LB495]

SENATOR HARR: Thank you very much, I appreciate it. And really isn't...I'm just confused, I just want to make sure I understand. So this money will come from the Education Innovation Fund, is that correct? [LB495]

SENATOR SULLIVAN: In large part, yes. [LB495]

SENATOR HARR: Okay, and that's a cash fund? [LB495]

SENATOR SULLIVAN: Yes, it is. [LB495]

SENATOR HARR: Okay, now you say in large part, what do you mean by that? [LB495]

SENATOR SULLIVAN: Well, because if you recall what Senator Mello said, these early childhood grant programs were funded through General Fund. [LB495]

SENATOR HARR: Yep. [LB495]

SENATOR SULLIVAN: In LR542, when we were going through the budget to the economic recession, in order to keep those funds going we moved them to lottery dollars. So now we're moving them back...under current statute they would go back to the General Fund. [LB495]

SENATOR HARR: Okay. [LB495]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

SENATOR SULLIVAN: LB495 moves some of the dollars back to be continuing the programs using lottery dollars. But a small portion of it still will stay in the General Fund. [LB495]

SENATOR HARR: Okay, okay. And what is the percentage...or what is the number of dollars that come out to the education...are in the Education Innovation Fund? [LB495]

SENATOR SULLIVAN: Total or... [LB495]

SENATOR HARR: Yeah in total, sorry, yeah. [LB495]

SENATOR SULLIVAN: What...okay, \$1.75 million the first year... [LB495]

SENATOR HARR: Oh, sorry, not to pay for this LB495, but in total in the fund, how much is in there? [LB495]

SENATOR SULLIVAN: \$3.3 million, approximately. [LB495]

SENATOR HARR: Okay. And... [LB495]

SENATOR SULLIVAN: Oh, you mean from the total fund? [LB495]

SENATOR HARR: Yeah, that comes in with lottery dollars each...sorry. [LB495]

SENATOR SULLIVAN: Oh, excuse me, excuse me, well, let's see, I'm looking at...what's in the fund right now? It is...I'm going to step away just a minute if you don't mind and clarify this. [LB495]

SENATOR HARR: Oh, no, thank you. [LB495]

SENATOR SULLIVAN: Excuse me, Senator Harr. Okay, the balance right now, and of course it changes, but the current balance right now is about \$7.4 million. [LB495]

SENATOR HARR: Okay, thank you. And do you know how many dollars come in per year from the...into the Educational Innovation Fund? [LB495]

SENATOR SULLIVAN: About \$4.9...let's see, lottery funds...total revenue...about this, about \$7.4 million. [LB495]

SENATOR HARR: Okay, all right, and... [LB495]

SENATOR SULLIVAN: But we don't expend them all; we leave a little bit of a balance in there. [LB495]

Floor Debate  
April 05, 2013

---

SENATOR HARR: And that's why we have this bill because we aren't expending it all. [LB495]

SENATOR SULLIVAN: Yep, right. [LB495]

SENATOR HARR: And then I guess my follow-up question then is...I remember Senator Mello introduced...and Nordquist have introduced bills in the past to use this fund... [LB495]

SENATOR SULLIVAN: Um-hum. [LB495]

SENATOR HARR: ...for specific legislation. And I recall the former Chairman of Appropriations not appreciating that. He referred to it as a raid. Do you see this as a raid of the...? Obviously, you don't see this as a raid of the fund. [LB495]

SENATOR SULLIVAN: Well, there's always attention to cash funds and funds that are readily available for, whether you call it raiding or priorities of individual senators or whatever, and we have to be mindful that we retain a balance in there. And I would also say that the current uses of these funds, all uses go off after fiscal year '15-16. And a little bit later, hopefully, in this session, you will hear a bill from me that will ask for a study of all current uses of the lottery dollars and to see how we want to continue to use them. So it's always something that I think, quite frankly, needs to be revisited. And yes, it's a cash fund that's a portion of which is supposed to be used for education... [LB495]

SENATOR KRIST: One minute. [LB495]

SENATOR SULLIVAN: ...but how that is divvied out we have to decide. [LB495]

SENATOR HARR: Okay, and that's generally decided by the Education Committee? [LB495]

SENATOR SULLIVAN: Pardon? [LB495]

SENATOR HARR: That's generally decided by...how this fund is used is by the Education Committee? [LB495]

SENATOR SULLIVAN: Not necessarily; but, by and large, the Education Innovation Fund, yes, we have a certain amount, but you're the final determiners of that. [LB495]

SENATOR HARR: Okay, thank you. And I totally agree with the underlying purposes of the bill. I think it's a great bill. I think what she is doing here is a wonderful...but I thought it was important we understood where the money was coming from and what it's being

Floor Debate  
April 05, 2013

---

used for and I just want for the record that I support AM804 and LB495 and thank you, Senator Sullivan, for your time. [LB495]

SENATOR KRIST: Thank you, Senator Harr. Still remaining in the queue: Senator Schumacher, Harms, Avery, Kolowski, and Senator Ken Haar. Senator Schumacher, you are recognized. [LB495]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. We had kind of a heartrending morning talking about the kids in foster care and what happens when they turn 18 years old and if we can save 150 of them with \$1.2...\$1.4 million, about \$8,000 apiece, if I'm reading the numbers right. And now we hear about the need for additional funding to help kids who are under five years old get on some type of an equal footing in the school system, otherwise they'll be forever locked in a downward spiral in competition with other kids. And that data from what we've learned in the Planning Committee is very, very good. You probably get the most bang for your money when you come into intervention with kids who are under five years old. And we're probably way underfunding that, but this is going to be another couple million dollars. Fortunately, it's free money because it's part of the evils of gambling coming through the Educational Innovation Fund. So somehow that might make it easier. But we have a real problem. And the real problem that's causing all these heartrending difficulties are that we are failing to address at a social level the fact that there are a lot of kids born to folks who are emotionally or financially unable to have them. And until we come to grips with that issue, there will be an endless chain of these problems and they will compound upon themselves generation after generation. One thing I would hope that as we put a million here and a million there, we begin to think about is how we can intervene, as some pretty good data has indicated, in the lives of young women 13, 14 years old to begin to form a value system of finances and of family responsibility so that maybe we can start striking at these problems at the root instead of reacting at the periphery and as trying to put out fires that are caused by something, maybe, a responsible intervention could stop from starting. I do want to say that the children of Iowa thank us. We happen to be bickering over a million here and a million there here, but we send about \$100 million a year over there to assist their state budget and make their lives a little easier. So, thank you, Mr. President. [LB495]

SENATOR KRIST: Thank you, Senator Schumacher. (Visitors introduced.) Thank you for visiting and for being so patient. Returning to debate. Senator Harms, you are recognized. [LB495]

SENATOR HARMS: Thank you, Mr. President and colleagues. I rise in support of AM804 and the underlying bill, LB495. I wanted to share just with you some of the research that I've done in regard to early childhood development and how important it really is to set the standards for what happens to our children when they get into our school system, as they grow older. Let me give you, just for example, there are 60,000

Floor Debate  
April 05, 2013

---

aged children from birth to five, or that's 39 percent of all of our children, growing up in Nebraska are at risk. Sixty thousand of our children from zero to five in this great state are growing up at risk. They simply do not have when they enter kindergarten, they do not have the very basic skills to survive. They are actually five years behind before they even start. And we're telling our public schools, you're failing, because the simple fact is your test scores are so low. Well, the teachers can't make up five years. And the research that's been done shows very clearly that by getting started early and starting to develop these children's minds from zero to three; which by the way, the Sixpence Program does in Nebraska has great results in what truly happens to a child. From zero to three is a time that the neuroscientists tell us that's where the connections are being made in the brain. That's where the real learning process starts to take place. And what's going to happen with this child in his or her learning ability, what's going to happen to this child even with their health. I can remember when I went through college to become a teacher they used to say, your greatest learning experience for a child is from zero to ten. That's not true anymore. We've narrowed it down to the point that we now know how to develop the minds of these children; and it's extremely important, if we want to change this whole social atmosphere, this is a place where you have to start it. In that Sixpence Program, not only do they start working with these children from birth to at least three; and other programs pick them up from three to five, they also work with a parent. They begin to develop the parent. And they begin to teach the parent how to be a parent; teach the parent how to deal with their children. I'll give you an example, in my own county in Scotts Bluff County, 59 percent of the children that are going to enter through that Scottsbluff Public Schools is classified at risk. Fifty-nine percent, and it's growing each year faster than we can fix it. And there's no way that the public schools can take that child and make up those five years. There may be a few that make it, but very few do. By the time they get to the third grade, guess what? They are marked to probably drop out of school. They're earmarked to a point that says this child has no hope of probably getting through successfully. Colleagues, this is a serious issue. And this is a start. And I would hope that you would support this. And by the way, if you want to know where your school ranks or where your community ranks, come over, I'll show you. I've got the ranking of every one of our district senators of how your school ranks and rates according to whether or not...what percentage of your children that go into your school system are at risk. And I will tell you, it's shocking. And we put all this blame on our public schools. We put our teachers through an assessment program... [LB495]

SENATOR COASH PRESIDING

SENATOR COASH: One minute. [LB495]

SENATOR HARMS: Thank you, Mr. President...and expect them to make up a difference. And we say to the school, you're failing because they don't make the standards on these test scores. Well, sure they're not going to make the standards, because they're already behind and they can't make it up. In order to fix this, we have to

Floor Debate  
April 05, 2013

---

put the money and we have to make the commitment in early childhood development. This is a long-haul fix, colleagues. We're not going to get this thing fixed overnight, but for every child we can put in early childhood development program, at the end results I will guarantee you that child will get through high school, they'll go on to college because the research plays very clearly along this line that that's correct. So I would urge you to support this. I would urge you to support the amendment. It's a good cause. And I can tell you it will make a difference in what happens in this great state. And it will make a big difference in what happens in our public schools. If you have any interest, come on over and I'll show you where your school ranks. Thank you, Mr. President. [LB495]

SENATOR COASH: Thank you, Senator Harms. Senator Avery, you are recognized. [LB495]

SENATOR AVERY: Thank you, Mr. President. I'm a member of the Education Committee and I remember when this bill was first discussed, both in the hearing and in the Executive Session. I was eager to support it, and I still am. We know a lot more now about the positive effects of early childhood education than we knew at the time I joined the Education Committee in 2007. In 2007, we were not talking a lot about early childhood education. We have learned a lot since then. For example, research shows that kids that have a high-quality early education experience, at least before the age, say, of five that it yields long-term benefits to these kids. These children are likely to earn as much as \$2,000 more per month as adults. They are also more likely to graduate from high school; more likely to own a home; and more likely to have longer marriages. They are less likely to repeat grades; less likely to need remedial education or to get into trouble with the law as adults or as juveniles. Economists have also found that early childhood education produces at least a 12 percent return on the investment. This is good policy, folks. This is also an appropriate use of the funds in the Education Innovation Fund. In fact, I can't think of any more worthy use of that money. So I am eager and pleased to support this legislation, and I applaud Senator Sullivan for bringing this forward. And I urge your green vote on this amendment and on the underlying bill, LB495. Thank you. [LB495]

SENATOR COASH: Thank you, Senator Avery. Senator Kolowski, you're recognized. [LB495]

SENATOR KOLOWSKI: Thank you, Mr. President, and also all senators. I strongly support this amendment and this bill. And I thank Senator Sullivan for bringing this forward. I support it for a number of reasons. One of them, my wife would never forgive me if I didn't do this because she is an early childhood education major and the founder of the Westside Schools' early childhood education program in 1968. Secondly, the second reason, we have decades upon decades of positive research in this particular area; and although we may seem to be a little late coming to the front on this, it is very

Floor Debate  
April 05, 2013

---

appropriate and very timely that we do it at this time. Also, reminder to the body as a whole, the University of Nebraska-Lincoln has a major program in early childhood education; the emphasis in the College of Education and Human Sciences, Susan...Susie Buffett has, through the Sherwood Foundation, has made a major contribution with the success of her Educare program and its tremendous emphasis upon early childhood education. We have cutting edge research and training, teaching, teacher training taking place in those areas at the university. Senator Harms's comments are right on target. One modification I would make with Senator Harms's comments, it's not just zero to three, it's conception to three or five or whatever dates or ages you want to put on that. The mother's consumption during those nine months of pregnancy is extremely crucial and critical to the success and health of that child. Senator Avery is right. This is good policy. And I would strongly support this bill and this amendment and ask for your green light on that. Thank you very much. [LB495]

SENATOR COASH: Thank you, Senator Kolowski. Senator Ken Haar, you are recognized. [LB495]

SENATOR HAAR: Mr. President, members of the body, I'd like to thank Senator Sullivan for bringing this bill. It's the right thing to do. Science very definitely tells us now that the brain develops quickly and early and it can make all the difference in our children, and these are all our children, and our children being ready for school, being ready for jobs, and higher education, and a productive place in society. That's how important early childhood education is. Many other industrialized...now the things we're often doing in this country, you look at Educare, which is a great program, deals with high-risk families. And that's very good. It's supported very much by foundations. Other industrialized countries are expanding their education to all kids, maybe not way down to birth, but certainly way below kindergarten because they're taking what science says about brain development seriously. I think we're going to have to face in the next few years how we're going to not just...many of these preschool programs that reach down to birth or six months are funded by private donations and foundations and so on. I think our task in the next few years is going to be to figure out how we can do public funding of these kinds of programs; not just because the payoff is so great, but because it's the right thing to do. Thank you. [LB495]

SENATOR COASH: Thank you, Senator Haar. Senator Dubas, you are recognized. [LB495]

SENATOR DUBAS: Thank you, Mr. President. I, too, rise in support and thank Senator Sullivan for her leadership on this. This is so important. I stated in the previous bill that every dollar we invest in children is a good dollar invested, and it's not only for the children's future, but it's for our future. And the sooner that we can get these children involved in programs that helps them, and not only them, but by getting their family involved. Because, unfortunately, you know, when you have families who maybe don't

Floor Debate  
April 05, 2013

---

put a high value on education or who had their own struggles when they were in school and aren't able to convey to their children the importance of a good education, by getting them involved, it gives those parents the additional tools to help support their children at a very early age which takes them into school, which keeps parents involved, which is a critical component. It goes a little bit to what Senator Schumacher said, you know, I take a little bit of exception to the comment that he made about what we need to do for 13- and 14-year-old girls. We need to do this for all children. We need to help all of our children, whether they're male or female, understand their responsibilities and support them in their educational efforts and support their families and their parents as we help them move through the educational system. So, you know, I don't think that, you know, we need to be making value judgments on where young women are at, at a particular age. We need to be looking at what is it that we need to do as a state to support the education of our children, maybe what Senator Kolowski said, from conception to...all the way through. But at least early childhood education is a great place to start in getting our kids prepared for school, excited about school, understanding the importance of an education. And that that education, that early education, that pre-K through 12 education is the key to their future and will allow them, just like we're trying to provide for our foster kids, allow them the tools to reach their goals and their dreams to make them great citizens of Nebraska. Then our next challenge is to make sure that they stay in Nebraska with all of their talents. But I think this bill is a great, great addition to what we're already doing for our education. And we need to focus on all children, whatever their age, whatever their gender to make sure that they are well prepared to be lifelong learners. So, thank you, Senator Sullivan. [LB495]

SENATOR COASH: Thank you, Senator Dubas. Senator Bloomfield, you're recognized. [LB495]

SENATOR BLOOMFIELD: Thank you, Mr. President. For the last half hour or so I've heard countless statements how we have to take care of our children. Our children need us to do this; our children need us to do that. Unless they have entered into the foster care system or some other system, these are not our children. These children belong to their parents. Let us not forget that the parents have some responsibility in raising Nebraska's children. These are not the state's children. I don't know how I make it any plainer. We cannot, we should not, we must not enter into the path of taking control of children from conception to the mortuary. There has to be a point at which the state cannot be responsible for everybody, every inch of the way of the dash between birth and death. There is such a thing as personal responsibility. We need to remember it. We need to honor it. And we need to let people be responsible for part of their own lives. Thank you. [LB495]

SENATOR COASH: Thank you, Senator Bloomfield. Seeing no other members wishing to speak, Senator Sullivan, you're recognized to close on the committee amendment.



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

Senator Sullivan. Senator Sullivan waives. Members, the question before the body is, shall AM804 be adopted? All those in favor vote aye; those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB495]

CLERK: 28 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB495]

SENATOR COASH: The committee amendments are adopted. Next item on LB495, Mr. Clerk. [LB495]

CLERK: Mr. President, Senator Sullivan would move to amend the bill with AM921. (Legislative Journal page 909.) [LB495]

SENATOR COASH: Senator Sullivan, you are recognized to open on AM921. [LB495]

SENATOR SULLIVAN: Thank you, Mr. President. This is truly just a technical word addition...or section addition, I guess I should say, that was brought to our attention by the Department of Education and simply a clarification. In three different parts of the bill where it ends the sentence with "fund" referring to the Early Childhood Education Endowment Cash Fund, we're saying that, "for use pursuant to Section 79-1104.02" which is the section that identifies how the monies that come through the Endowment Cash Fund for grants for these early childhood programs can be used. So again, it just is a clarification; again, that was brought to us by NDE, and I appreciate your support. [LB495]

SENATOR COASH: Thank you, Senator Sullivan. Members, you've heard the opening to AM921. The floor is now open for debate. Senator Ken Haar, you're recognized. [LB495]

SENATOR HAAR: Mr. President, members of the body, I just have to respond to the "our children." I grew up in a small town and we ran all over town and it was real obvious that we...yeah, we had a set of parents, but we all belonged to everybody. And what's interesting, if we don't accept the "our children," we do accept the responsibility of later on if some of those children get in trouble and we put them in jail. And I certainly agree about personal responsibility, but if we don't look at the young as "our children," then we have to deal with them when they become our criminals, when they become our problems with society. It's...the irony of this is that it's much cheaper to do it early on than to do it later. Thank you very much. [LB495]

SENATOR COASH: Thank you, Senator Ken Haar. Seeing no other members wishing to speak, Senator Sullivan, you're recognized to close on your amendment. Senator Sullivan waives closing. The question for the body is, shall AM921 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Record,

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

Mr. Clerk. [LB495]

CLERK: 29 ayes, 0 nays on the adoption of Senator Sullivan's amendment. [LB495]

SENATOR COASH: AM921 is adopted. [LB495]

CLERK: I have nothing further, Mr. President. [LB495]

SENATOR COASH: Thank you, Mr. Clerk. We will continue on discussion of LB495. Seeing no members wishing to speak, Senator Sullivan, you are recognized to close on the advancement of LB495. [LB495]

SENATOR SULLIVAN: Thank you, Mr. President. And I appreciated all the voices of support for not only this particular bill, but the importance of early childhood education. And I certainly take to heart the comments of Senator Bloomfield and Senator Schumacher. There were some analogies that were kind of going through my mind as I was listening to all of this conversation. And one is, you know, if we look at an apple, meaning how are we going to help this child and this is just one little bite of the apple that we're taking, but it's an important one. And even one bite will help us move us along on this path. Also, it truly is and has to be looked at as a partnership. Certainly, the parental and personal responsibility enters into this. It's going to take a partnership of not only public dollars, but some private monies as well, and we see that in the Early Childhood Education Endowment Fund. And we look at the state's responsibility in our Constitution that says that we owe an education to our children. And we're looking at this particular component of early childhood meaning that it's going to give us not only a good return on investment, but it's going to help us in the public schools later on when this young child comes to kindergarten and beyond much more ready to learn because of the experiences that they've had early on. So it is a multifaceted...I wouldn't call it a dilemma, but a situation that we have to look at in a variety of different ways. And so LB495 represents just a small bite of the apple, so to speak. But it keeps the ball rolling in an important way with our three to five grant programs that go to public schools. And it enhances efforts in the Early Childhood Endowment Fund by designating some additional monies to birth to three programs. And it is supporting these and using lottery monies to do that. So again, I encourage your support. [LB495]

SENATOR COASH: Thank you, Senator Sullivan. Members, you've heard the closing to LB495. The question for the body is, shall LB495 advance? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB495]

CLERK: 33 ayes, 0 nays, Mr. President, on the advancement of LB495. [LB495]

SENATOR COASH: LB495 does advance. Next item, Mr. Clerk. [LB495]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

CLERK: Mr. President, LB55 is a bill by Senator Wightman. (Read title.) The bill was introduced on January 10, referred to Revenue, advanced to General File. I have no amendments to the bill, Mr. President. [LB55]

SENATOR COASH: Thank you, Mr. Clerk. Senator Wightman, you're recognized to open on LB55. [LB55]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. LB55 is intended to clarify that counties that have reassumed the assessment function to determine the value of property have the ability to make decisions regarding the operation of the assessment function. A brief history of the legislation is necessary to understand why this law is needed. A law authorizing the state of Nebraska to assume the function of the counties to assess property was passed in 1961...'69, but it was not after changes made in 1997 that the law was implemented. In all, nine counties had the assessment function assumed by the state. Those counties were Dakota, Dodge, Garfield, Greeley, Harlan, Hitchcock, Keith, Saunders, and Sherman. Now, at some point, one or two of the very large counties attempted to make that same move, and I think it was primarily Douglas, and all of a sudden, they realized there was not nearly enough funding to do that, and so the state terminated that possibility. And as a result, nine counties got free assessment for several years. And then all of a sudden, no others could get it. In 2009, I introduced LB121 that transferred the assessment function back to the counties for three basic reasons: to restore equity between the 9 counties and the other 84 counties that were funding the assessment function; to return the assessment function to where it belonged at the local level; and to save the state \$2.46 million annually. That was probably the main reason. The counties had the option to phase-in the function and cost over a three-year period or make the change at anytime prior to that. Sherman County exercised the option to assume the assessment function early. The reason for LB55 is certain action taken by the state Property Tax Administrator, which was not contemplated by LB121. LB121 stated that all contracts pertaining to the operation of the assessment function shall be assumed by the county until the expiration of the contract. In 2010, one year after the enactment of LB121, the state Property Tax Administrator signed a ten-year computer software contract which, in effect, lost the counties end of the contract for seven years unless they were successful in a court challenge. My intent was for LB121 to return the operation of the assessment function and the related cost to the impacted counties, not bind them to any long-term contract. More recently I found out that this issue can be remedied with a clarification of the law. The computer software contract signed by the Property Tax Administrator provides by its own terms that the contract may be terminated by the state in its sole discretion for any reason upon 30 days' written notice to the contractor. The 90 counties must be able to contract for the services they need, contract for the quality of services they need, and contract with the provider that will provide the services at the lowest cost if they are to manage assessment function on the same basis as the other 84 counties. LB55 will clarify that the nine counties may terminate the computer software in

Floor Debate  
April 05, 2013

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accordance with the original contract executed by the state in just like the other 84 counties. This is accomplished by changing language on the transfer of contracts from "shall" to "may." So this is a pretty simple situation. We're changing one word, in which the word "shall" is changed to "may," and puts those nine counties in the same position that the other counties have been able to make their own contract. I would ask members of the Legislature to advance LB55. I would be happy to answer any of your questions. Thank you. [LB55]

SENATOR KRIST PRESIDING

SENATOR KRIST: Thank you, Senator Wightman. The floor is now open for discussion. Senator Bloomfield, you're recognized. [LB55]

SENATOR BLOOMFIELD: Thank you, Mr. President. Colleagues, I'd like to thank Senator Wightman for bringing this bill. He mentioned Dakota County as one of the counties that was adversely affected by the way this turned out. Getting this solved will solve a lot of heartburn in our most northeastern county. So, again, thank you, Senator Wightman, for bringing this. It needs to be done. It will save a lot of stress and quite a little money. Thank you. [LB55]

SENATOR KRIST: Thank you, Senator Bloomfield. Senator Price, you are recognized. [LB55]

SENATOR PRICE: Thank you, Mr. President and members of the body. I rise in support of LB55, but I want to use this time as an opportunity to discuss a bill near and dear to my heart, LB317 that, like many bills, is still in committee but we'll just leave that lay there. We've had enough discussion about that for one day. But my question is, when we look at this and we talk about counties doing assessment and, members, I hope that this subject and my droning doesn't put you to sleep before we adjourn, but the idea and concept behind that is sound. But I begin to question that when we have large political subdivisions, let's say like an NRD, you could have a lot of different counties in an NRD. So now the question is, what is the assessment practice across all members of that political subdivision? And are the accounting...or excuse me, the assessment practices and rules equal if an NRD is such that there are five or six counties, you would think that all five or six counties would be bound to the same practices. We're all bound by the same laws, but what about the practices within it? And I'll give you a diagram, a word-picture, if you would. Current statute, 77-1311.03 prescribes that all real property will be assessed in a six-year period. However, most counties--and everybody in the ag business will understand--you'll see that your properties are assessed every year. And in the county like Sarpy County, they get all real properties assessed within a two-year period. However, in Douglas County it takes much, much, much longer. The business rule that creates this is problematic. There are homes and businesses in Douglas County that have not seen a change in valuation for six years. And there are homes that

Floor Debate  
April 05, 2013

---

see a valuation change almost every year or every other year. Now, what's interesting when you look at that, the ones that don't change are valued at \$400,000 and \$500,000. The ones that do change are valued at \$60,000, \$70,000, \$110,000. And that change can be for \$100. There is something fundamentally wrong with the process that leaves a \$400,000, \$500,000 home in that community free of reassessment and valuations when they go after the ones that are under \$100,000 almost every year for \$100. Let's talk basic arithmetic. If the assessment practices, which are generated through this statute to generate revenue to operate the county and for the cities, right? Okay. If I assessed ten...how many homes...let's put it this way, how many homes valued under \$100,000 do you have to assess every year to make your budget versus those at \$400,000 and \$500,000? How about an apartment complex valued at \$14 million? Political genius would say that you would change your business rule and practiced such that you could raise revenue and lower rates. But it's not going to happen. It's not going to come out of committee, probably. It didn't come out of committee four years ago. So now let's look at the application. [LB55 LB317]

SENATOR KRIST: One minute. [LB55]

SENATOR PRICE: Thank you. If you're Washington County or Sarpy County or any other county within the Papió NRD, your property taxes are going to pay all the NRD bills and service bond debt every year. But if you're in Douglas County with some properties, you don't. Is that fundamentally equitable? I think the best way to address that would be to change the period from six years to three years. That's what LB317 would do and it's so egregious to some that it will not see the light of day, as it looks. It sure didn't for four years. So thank you, Mr. President. [LB55 LB317]

SENATOR KRIST: Thank you, Senator Price. Senator Wallman, you're recognized. [LB55]

SENATOR WALLMAN: Thank you, Mr. President. And I truly do appreciate what Senator Price said, and it also transcends school districts from one county to the next. And so one assessor may value your property higher than the next. And so this is an issue I definitely think we have to address, valuation assessments on homes and property. Thank you, Mr. President. [LB55]

SENATOR KRIST: Thank you, Senator Wallman. Senator Price, you are recognized. [LB55]

SENATOR PRICE: Thank you, Mr. President. And to pick up...and thank you, Senator Wallman. To pick up where we left off, I can easily see and concede and agree that a yard of dirt, a yard of concrete, board feet of lumber can have different values in different locations. Any farmer here will tell you different soil types have different capacities and capabilities, access to water. Those are all well articulated and taken

Floor Debate  
April 05, 2013

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care of in the latitude given to assessors on how much something is assessed at. If you are on Harrison Street, separating Sarpy and Douglas County, and you were just driving through and you didn't know that was a county line, you wouldn't notice a difference across the streets. But they're two different political subdivisions and they have the latitude to measure them and value them differently. And that's fine. What's not fine is the period in which they do it. What's not fine is when this bill was brought six years ago, seven years ago, and they tried to change it and it got amended on the floor as a part of a comprehensive package, the assessors came in with a zero fiscal impact going to a shorter period. Now, it's millions of dollars. If I told you, you could make \$40 million a year but it was going to cost you the investment of eight individuals \$600,000...so let's go with the numbers again. Up to \$40 million could cost you \$600,000, how many of you would take that deal? How many of you would know that that money would help in meeting the needs of that community? How about we look at the state aid formula. Senator Adams has schooled me as best he can on that and he kept it simple. There are three basic components. State aid is your resources minus your needs. There's a lot of magic that goes on behind that to get there. The needs part of the formula is very prescriptive. There is no and, if, or but about that. But that resource part, now, there we can get into some mathematical chicanery. If I hold my resources down artificially, I have elevated my needs. It's a ratio. Ladies and gentlemen, if this happens, that state aid formula is impacted. So while I know it can be a dry subject for some of you and a rather droll one, for those of us who live in a community that chooses to assess their properties on a more rapid base than another, we are paying more often. But let's talk about a human side. Let's talk about that individual who doesn't have their home assessed for six years. And let's take out the anomaly of the past five, six years where we've had an economic downturn, and you can have a 4, 5 and 6 percent increase in property value. Six times six, modern math, you're going to get a 30 (sic) percent increase. If you're a person on a fixed income you get a 30 percent increase in your tax bill, you'll feel that. How about we deal with the fact that the variance you'll see. By going to a shorter period, you would smooth out that variance. Is that good policy? I would think so. I'm sure the people who are getting thrown in the kettle after six years of not being in that kettle would. But here's a challenge. The law says six years, so they'll go to six years, and we need to change that. The business rule would allow them...and they could do it on their own. So if it interests you to know that, you can call your county commissioner and tell them they should do it more often. [LB55]

SENATOR KRIST: One minute. [LB55]

SENATOR PRICE: Thank you, Mr. President. But I don't think that's going to happen because the powers that be who are not having to pay those taxes for five years are very happy with not paying those taxes for five years. Thank you, Mr. President. [LB55]

SENATOR KRIST: Thank you, Senator Price. Seeing no one else in the queue, Senator Wightman, you are recognized to close. Senator Wightman waives closing. The

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

question is the advancement of LB55 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Please record, Mr. Clerk. [LB55]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB55. [LB55]

SENATOR KRIST: The bill advances. Next item, Mr. Clerk. [LB55]

CLERK: Mr. President, LB265 is a bill introduced by Senator Coash. (Read title.) The bill was introduced on January 16, referred to Health and Human Services, advanced to General File. There are Health Committee amendments, Mr. President. (AM415, Legislative Journal page 623.) [LB265]

SENATOR KRIST: Thank you, Mr. Clerk. Senator Coash, you're recognized to open on LB265. [LB265]

SENATOR COASH: Thank you, Mr. President. Good afternoon, colleagues. Last bill of the day. This should only take about three hours. (Laughter) Just kidding. I'm happy to introduce LB265 to my colleagues today, and it's a timely introduction because we did spend part of the morning talking about foster care, and this gives us another opportunity to take a look at how our foster care system is delivered to kids in the state. LB265 is really about best practices. And let me frame it to you this way. If there's a child who for whatever reason cannot sleep in his or her own bed, and it becomes the state's responsibility to find that child a bed, then best practice will tell you that you want to reduce the trauma to the most...to the best extent that you can. And to reduce that trauma, you try to place that child with somebody that child already has a relationship with. So you go and you find...number one choice will be a family member--the child's grandparents, the child's aunts or uncles, someone the child knows--because it's traumatic enough to pull a kid out of their home, let alone pull them out of their home and put that child in a home full of strangers, which is what happens very frequently with foster care. Now, if you can't find a family member, a good second choice is to find another caring adult who already has a relationship with that child. This might be the parents of one of the child's friends. It might be the coach of the child's soccer team. It might be a teacher at the child's school. So another adult who may not have any relation to the child but certainly has built a relationship with him or her. What LB265 is attempting to do is make that choice of relative or relationship or--and I'll refer to it as kinship care--an easier transition for those kids. Let me paint you a picture of what I'm trying to get accomplished with LB265. Let's say that you...a kid can't stay with his parents anymore because something is going on in the home, maybe it's domestic violence, maybe it's something criminal related, but the child's mom and dad...the child's home is not safe and so that child has to sleep someplace else. Well, the first thing we're going to look for is one of those relative homes; and if that fails, we'll look for a kinship home. Now, let's use an example of the soccer coach. And the department, who's got the responsibility to find a safe place, goes to the soccer coach and says,

Floor Debate  
April 05, 2013

---

would you provide a foster home for this kid? This child plays soccer with your son, you coach them, he knows you, we'd sure like you to take care of him until things at his home get stable. Well, that foster parent or that coach in this case may say, yes, I will do that, but I don't want to take every other foster kid who needs a placement. I want to provide care for that child. I'm not interested in being a foster parent for every child that the state may need. We need those and there are foster parents who provide that, but in this case this parent...this caring adult is willing to foster that child. And what LB265 does is remove some barriers to that situation. It's to allow children easier access to foster care placements with their kin or relatives. Currently, all foster care homes in Nebraska have to be licensed. This is a barrier to placement with kin and relatives as these caregivers typically, as I said, have no desire to become licensed foster care parents. They simply want to provide care specifically to their loved ones and not to the general foster care population. So in order to lift this barrier what LB265 does, it exempts kinship and relative foster care homes from licensure. Such homes, however, would have to meet approval of the department by means of a criminal background check, a home visit, and checking against the Child Abuse and Neglect Registry. We are not waiving any requirement that keeps the child safe. While LB265 does exempt such homes from licensure, it still encourages such homes to become licensed and to obtain such assistance as necessary from the department. For the purposes of drawing down IV-E funds, a relative home could become fully licensed by waiving any nonsafety-related measures. For example, a kinship or relative home that has a 59-square-foot bedroom rather than the required 60 foot square...60-square-foot bedroom could be considered fully licensed provided it met all other safety-related requirements. It also...LB265 also allows for variances for licensure requirements. For example, tap water at a relative or kinship home is unsafe to drink, the home may provide bottle...the home could in this case provide bottled drinking water. So it's a very straightforward bill. The committee amendment that is coming is something I support. It clarifies a couple of things, makes it a little bit cleaner transition. And at the end of the day, colleagues, what this bill does is it allows children to go to a home that is familiar to them. And when we can provide a home that is familiar to them, we can reduce the trauma and that's what LB265 does. I would urge your adoption. Thank you, Mr. President. [LB265]

SENATOR KRIST: Thank you, Senator Coash. As the Clerk stated, there are amendments from the committee, the Health and Human Services Committee. And, Senator Campbell, as the Chair, you're recognized to open. [LB265]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. As Senator Coash indicated, the committee amendments try to clarify some of the points in the bill and I'm going to try to step you through those. The changes...the committee amendment changes the relationship requirement for kinship placement. And this is the specific language, quote, to a trusted adult that has preexisting significant relationship with the child. And we did a lot of research taking a look at what that definition should



Floor Debate  
April 05, 2013

---

be, and thanks to Senator Howard who scanned the nation looking for definitions. We added specific language that requires the department to adopt and promulgate rules and regulations and requirements for (1) licenses, waivers, variances, and approval of foster homes including relative and kinship homes and shall take into consideration most importantly the safety, well-being and best interests of the child. Our second addition requires an initial assessment of a foster home shall be completed and focus on the needs of the child and the willingness and ability of the foster home, relative home, or kinship home to provide a safe, stable, and nurturing environment for the child. Oftentimes we found that it was just like, ask auntie, will you take the child, and the child goes there and really not a good discussion in terms of the willingness and ability of auntie to be a foster home. The amendment adds that kinship homes and relative homes are exempt, just as Senator Coash indicated, from licensure. However, such home shall make efforts to be licensed if such license will facilitate the permanency plan of the child. And here what we're trying to do is to think far ahead to when the child ages out, this all does fit together, it does all finally come together, so that we are putting in the best position for that child to have permanency. The department shall, when requested or as part of the child's permanency plan, provide resources for an assistance with licensure waivers, training, referral to local service providers and support groups, and funding resources available to address home safety or other barriers to licensing. Licensing has always kind of been seen as, oh, you know, the rules and regs, this is what you have to do. We're trying to make people realize that licensure also entails good support that can come to help that foster home. The committee amendment provides that approval is required prior to placement in a nonlicensed relative home, just as Senator Coash indicated, again, taking into account the best interest, the willingness and ability, a home visit, and a criminal background check. And additionally and last, the department shall provide assistance to an approved relative home or kinship home to support the care, protection, and nurturing of that child. And I went through some of those. Colleagues, I would hope that you would take a look at the committee statement for this bill. And of noteworthy is that the department testified in support of the bill. Thank you, Mr. President. [LB265]

SENATOR KRIST: Thank you, Senator Campbell. The floor is now open for discussion. Senator Howard, you are recognized. [LB265]

SENATOR HOWARD: Thank you, Mr. President. I actually rise in support of this bill and the amendment which modified some work that Senator Howard, Sr., had done during her last year in the Legislature. Her concerns had been that there was too broad of a definition around kinship care. And so, in her last year, she worked to change the regulations...or change the law around kinship care to ensure that it was blood, marriage, or adoption. That it was a true kin relationship. And so when Senator Coash introduced LB265, the original language suggested a new definition of kinship care which was twofold. One, they had to live in the home or, two, they had to have significant contact. And my original concern was that significant contact didn't address a

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

---

relationship between the adult and the child. And so this was my first time doing this, and I applaud Senator Coash because he was nice enough to work with me to make the language something that I feel actually reflected his intent, which was you want to make sure that you're reflecting a relationship between the child and the adult. And so the new language of a trusted adult with a preexisting significant relationship really reflected his true intent which is just beyond contact. The concern with significant contact is, you could have somebody who is the janitor in the school who has significant contact with the child, but not really a relationship. And so I had a great time working with Senator Coash on this bill, and I urge you to vote green on the amendment and the bill itself. Thank you. [LB265]

SENATOR KRIST: Thank you, Senator Howard. Senator Wallman, you are recognized. [LB265]

SENATOR WALLMAN: Thank you, Mr. President. Would Senator Campbell yield to a question? [LB265]

SENATOR KRIST: Senator Campbell, will you yield to Senator Wallman? [LB265]

SENATOR CAMPBELL: Certainly. [LB265]

SENATOR WALLMAN: Thank you. Senator Campbell, what does it take to get a licensure as far as monies? [LB265]

SENATOR CAMPBELL: I'm sorry, Senator Wallman. [LB265]

SENATOR WALLMAN: What does it cost to get a license? [LB265]

SENATOR CAMPBELL: I don't think there...I don't think there is a cost. There's a lot of steps that you have to go through, you know, to do that. And what we're trying to ensure, Senator Wallman, is that the support is there for that foster family. [LB265]

SENATOR WALLMAN: Thank you. May I say, God bless HHS, and thank you, Mr. President. [LB265]

SENATOR KRIST: Thank you, Senator Wallman. Seeing no other lights on, no one else in the queue, Senator Campbell, would you like to close? Senator Campbell waives closing. The question is, shall the committee amendments to LB265 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted that wish to? Record, Mr. Clerk. [LB265]

CLERK: 28 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB265]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Floor Debate  
April 05, 2013

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SENATOR KRIST: The amendment is adopted. Further discussion on LB265? Must be Friday. Senator Coash, you're recognized to close on your bill. [LB265]

SENATOR COASH: Thank you, Mr. President and thank you, colleagues. I won't go so far as to say, God bless HHS, but. (Laughter) What LB265 does is it gives the department some options here. We got a foster care system that is tapped out. We can't afford to pay them what they deserve. There are more children who need the care than we have providers to provide the care. And then we've got people who are Nebraskans and they will step up and they will do the right thing for children. They may not have an interest in becoming foster parents, but presented with an opportunity to care for a child that they know, or to care for a child that they're related to, Nebraskans will do that. And what LB265 does is it gives them the option to do that and it removes some barriers for them to do what we all know Nebraskans will do given that opportunity. So with that, I appreciate the support. I would ask for your green vote one more time on LB265. Thank you, Mr. President. [LB265]

SENATOR KRIST: You've heard the closing on LB265. All those in favor vote aye; all those opposed vote nay. Please record, Mr. Clerk. [LB265]

CLERK: 31 ayes, 0 nays, on the advancement of LB265, Mr. President. [LB265]

SENATOR KRIST: The bill advances. Announcements. [LB265]

CLERK: Mr. President, new resolutions: Senator Seiler offers LR126 through LR138. Those will be laid over. New A bill. (Read LB568A by title for the first time, Legislative Journal pages 916-924.) [LR126 LR127 LR128 LR129 LR130 LR131 LR132 LR133 LR134 LR135 LR136 LR137 LR138 LB568A]

And, Mr. President, I have a priority motion. Senator Nordquist would move to adjourn the body until Monday, April 8, at 10:00 a.m.

SENATOR KRIST: You've heard the priority motion to adjourn. All those in favor say aye. Opposed, nay. We are adjourned until Monday, the 8th of April, at 10:00 a.m.